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A Glance at this Issue

Pension Policy in Wartime

Far from discouraging the adoption or expansion of company pension plans, the Social Security Act has served as a stimulus to careful consideration of company pension policy by demonstrating the inadequacy of the federal benefits for employees earning over \$3,000 a year. And the war has introduced new factors into the situation. The deduction of contributions to pension plans from taxable income under certain conditions is permitted by the amended Internal Revenue Act of 1942, thus apparently encouraging the adoption of such plans, but the policy of the Treasury Department in administering this act is still far from clear. "Trends in Wartime Pension Plans," beginning on page 334, gives some highlights of a recent survey of current pension policy made by THE CONFERENCE BOARD.

Overtime Pay for Supervisors

When a foreman discovers that the combination of high wage rates and considerable overtime work is hiking the pay of some of his men well above his own fixed compensation, he doesn't get even mildly enthusiastic about their good fortune. On the contrary, he becomes strongly convinced that there is something radically wrong, and there probably is. But how to deal with this situation, which is highly explosive in character, is something else again. Some suggestions may be found on page 338.

Cost of Living Takes a Dip

News that Axis forces have retreated from Orel and Catania is accepted without undue excitement as part of the inexorable reversals of the earlier war trend. But when the cost of living halts in its upward progress and staggers backward a pace or two, that is amazing news. And it has actually happened. Food prices, the most powerful factor in cost of living

changes, were responsible for the reversal of a trend that has been steadily upward since November, 1940. When they declined 2.9% from June to July, they set the cost of living index number back 1.2%. Reasons for this decline are described on page 353.

"Paper Promotions"

In recent years industrial management has become accustomed to playing the role of "squeeze" in squeeze plays between contending forces over whose policies or actions it had little if any control. Now it is caught between insistent demands from valuable employees who threaten to leave if their requests for higher compensation are not met and government "hold the line" regulations which are attempting to keep within control inflationary tendencies in wages and salaries. On page 341, executives discuss the prevalence of the practice of making "paper promotions" as the only way out of a bad situation.

Reasons for Absence

When an employee reports "personal reasons" as the cause of an absence from work, he has said just about nothing in so far as justifying an interruption of production. He may have been wearing out the linoleum outside the maternity ward, or he may have been making another try for the big one that got away in the pool below the mill, or he may have been traveling back and forth in the burning sun between the potato rows in his big garden spraying arsenic or lead-Bordeaux solution in an attempt to insure a potato supply for his family next winter come what may. This broad category of personal reasons accounted for almost half of the work absences in May, according to the monthly survey of THE CONFERENCE BOARD (page 344), and if everyone had been utterly frank it is conceivable that the figure would have been well over 50%.

Trends in Wartime Pension Plans

EVEN in the midst of intense war activity, industry has been giving thought to the orderly retirement of superannuated employees. The new retirement benefit plans bear little resemblance to the early company pension programs, either in financial structure, various features, or in motives underlying their adoption.

Early retirement benefit plans were adopted without much thought being given to their ultimate costs. The first few pensions granted represented a very small fraction of payroll which could easily be financed from current receipts. As time went on, however, the pyramiding of costs caused serious concern among many companies as almost none of these pension schemes contained any provision for funding. Wherever funds were accumulated they were set aside in a balance sheet reserve on which the company could draw in case of necessity.

Another serious defect of these early plans was that the employer was the sole administrator, and could withhold benefits at his discretion. Ordinarily the employee did not contribute toward his pension and had no guarantee that he would receive any benefits under the plan, although he fulfilled all requirements. At any time before retirement, an employee who resigned or was discharged forfeited all rights under the plan. Even the worker on the pension roll could not be sure that payments would be continued until his death.

With a more scientific approach to the problems of employer-employee relations, and a clearer understanding of the actuarial problems involved in funding a retirement benefit plan, the inherent weaknesses of these pension plans were recognized and steps taken to correct their defects.

First and foremost was the problem of putting the plans on a sound actuarial basis, and of providing the employees with certain contractual rights. The insurance companies offered group annuity plans as an alternative to these discretionary self-administered plans and, during the early Thirties, the growth of insured programs was rapid.

Contrary to the expectations of many persons, the passage of the Social Security Act did not end the private pension plan. Government old-age benefits, which were found to be inadequate, especially for the higher paid employees, impressed upon employers the desirability of supplementing the federal payments. Consequently many new plans were adopted after the passage of the act.

MOTIVES FOR A PENSION PROGRAM

Motives underlying the establishment of employee retirement benefit programs also underwent a transition. Instead of looking upon these benefits as a reward for long service, employers recognized that the orderly withdrawal of superannuated employees was to the advantage of the employing company as well as to the worker. By removing employees whose reactions had been slowed down by age, production was speeded up, for not only was the older worker's production below standard, but his inability to keep up with the normal pace of production usually interfered with the work of everyone connected with his job.

Industry had long set up reserves for the depreciation of machinery, and, it was advocated, should provide similar reserves for obsolescent workers, thus clearing the way for the constant addition of new blood and opening up opportunities for advancement of younger workers. The knowledge that the company was taking care of its workers with long service records also engendered a sense of security among the entire working force, with a resultant improvement in employer-employee relations.

The 1942 Internal Revenue Act,¹ under Section 162, has induced many employers to adopt pension plans as it expressly permits the deduction from taxable income, of certain contributions made by an employer to a pension plan, provided the plan complies with specifications set forth in the act. Contributions made in behalf of employees under a retirement benefit plan which complies with the provisions of this section are not considered increases in wages or salary and are allowable under the Wage and Salary Stabilization Order of October 3, 1942. Moreover, the contributions of the employer are not considered as taxable income to an employee until the pension is made available to him.

All these factors have resulted in a decided increase in interest in formal retirement benefit programs. Unfortunately, the regulations regarding the revised section of the Internal Revenue Act governing pension trusts were not issued until July 8, 1943, and it is too soon to tell what effect these regulations will have upon plans already in operation.

The following discussion, however, gives an indication of present trends. This article is based upon a recent study by THE CONFERENCE BOARD to be published early in the fall. By comparing the results of

¹Public Law 753, 77th Congress.

this investigation with those of previous surveys of the Board, several significant changes stand out.

TYPES OF PLANS

At the present time, there are three main types of company pension plans: group annuity and individual policy plans, underwritten with insurance companies and the trustee pension plan under which contributions are deposited in an irrevocable trust administered by a bank or trust company.

Group Annuity Plans

During the Thirties employers widely adopted group annuity plans which are designed especially for groups of employees within a given company.

Under the group annuity plan, a unit of paid-up deferred annuity is purchased each year for each participant, so that the individual's pension is bought bit by bit over his entire period of participation. The cost of purchasing a given amount, or unit, of annuity, however, increases each year for an individual. Two different types of group annuity plans have been devised to cope with this factor of increasing cost.

Under one type, known as the definite benefit, or fixed benefit, plan, the unit of annuity purchased each year and the employee's contributions remain constant as a percentage of the employee's earnings, while the employer's contributions for a particular individual increase each year. If enough younger people enter the plan each year to offset the yearly increasing costs for those already in the plan the cost to the employer will remain relatively stationary; otherwise it will increase each year.

Under the second type of group annuity contracts, the money purchase plan, the employer and employee contribute a specified percentage of the individual's income, while the unit of annuity purchased each year for the individual decreases annually, with the result that the unit of annuity purchased for the worker already near retirement may be so inadequate as to defeat the purpose of the pension plan unless it is supplemented by the employer.

Each type has its advantages and disadvantages. The definite benefit plan has always been the more popular, and the ratio of that type to money purchase plans has not materially changed over the past few years. The yearly change in either the employer's contributions or the employee's unit of annuity because of increasing age is considered by some to be the chief disadvantage of the group annuity plan.

Group annuity plans are particularly suited to the needs of wage earners whose earnings or employment are subject to fluctuations. The structure of the group annuity contract is such that the contributions to

the plan are geared to the employee's earnings. When employment is temporarily interrupted, contributions are suspended, but the worker retains all his rights under the plan, and as soon as he returns to work his participation is automatically resumed. If he works part time, contributions are correspondingly reduced.

A disadvantage of the group annuity plan is that the contract is guaranteed for five years only. Thereafter the insurance company is at liberty to revise the rates of premium or other terms of the contract.

Of late, the growth of group annuity plans has been materially slowed down. One reason for this is that some insurance companies are discouraging their adoption, and will take contracts only for their present policyholders, or if the employer will combine other forms of insurance protection with the group annuity feature. Other types of annuity plans are also competing with group annuity programs.

Individual Policy Plans

Within the past two or three years the individual policy plan has been attracting widespread interest and the number in force has been increasing rapidly. This plan makes use of the retirement income or annuity income policy which has been sold by insurance companies to individuals for many years. Usually the control of the plan is vested in a trust agreement, with a corporate trustee that retains possession of the contracts and attends to the administrative details, such as receiving contributions and remitting them to the insurance company. A pension committee, composed of company officers and employees, is usually created to provide for the smooth functioning of the plan within the organization.

The unit of annuity purchased is based upon the total retirement benefit to be provided for the employee at the time of retirement. The benefit may be on either a definite benefit or a money purchase basis, but in either event the amount of annuity, premiums, and other terms of the policy remain unchanged throughout the life of each contract.

Changes in income or fluctuations in employment are difficult to handle under the individual policy plan. If earnings are increased, supplemental contracts must be purchased if cognizance is to be taken of these increases, but these raises must be sufficient to warrant the purchase of the minimum unit sold by the insurance company which in some carriers is an annuity of \$10 per month. The guarantees contained in the original contract do not hold in the purchase of annuities for persons entering the plan later, or supplemental units of annuity purchased because of increases in salary. These must be bought at the then prevailing rate, and in the form of policy available at the time.

Once a contract has been purchased, contributions must not be interrupted. If the employee is absent temporarily, either he must continue his contributions or the company may advance these payments; otherwise the contract lapses. Because of the difficulties in making adjustments to fluctuating income and employment, this type of plan is suitable only for employees whose work and income are quite stable.

One advantage of the individual contract is that for a small additional premium the employee may receive life insurance protection equivalent to \$1,000 to \$1,500 face value for each \$10 per month unit of annuity. This provision is available only to those who can pass a physical examination. Another advantage is that there are many forms of annuities from which the employee may make his selection at any time before retirement without submitting evidence of good health.

Unlike the group annuity plan which requires a minimum coverage of fifty or a hundred lives, any number of employees may be included in the individual policy plan. This is particularly advantageous for the small company or for the company which includes in its plan only employees earning an annual salary of \$3,000 and more.

Trusted Plans

While many self-administered discretionary plans were altered or discontinued during the Thirties because of obvious defects in funding and certain other features, such as their noncontractual character, self-administered plans which were funded under a trust agreement, were actuarially sound, and gave employees definite contractual rights, continued to function in a number of large companies. During the past year or two, interest in such plans has been revived, and a number of new programs of this type inaugurated.

These new plans are quite different from the early discretionary type. They are set up on a sound actuarial basis, with the advice of an independent actuary who checks experience against his estimates at stated intervals. Contributions under the plan are deposited in an irrevocable trust which is usually managed by a corporate trustee, subject to investment controls which may be set by the company. The administration of the plan is ordinarily in the hands of a pension committee appointed by the employer. This committee may be composed of company executives or of representatives of management and employees.

Employers with this type of plan, which has been designated as a *trusted plan*, consider it to have certain advantages over the insured plan. Employer contributions may be geared to income, with smaller

payments during periods of depression and larger contributions in times of prosperity, instead of making the periodic instalments required under insured plans. The *trusted plan* is also flexible in handling exceptional cases, but every exception made will tend to throw out of balance the actuarial estimates on which the plan is based. Disability pensions may also be provided under the *trusted plan*, but the experience of insurance companies with disability pensions has been so unfortunate as to make any employer consider the factors very carefully before making a decision to include such benefits in a pension plan.

The number of employees covered by a *trusted plan* should be sufficient to permit safe actuarial assumptions, for the smaller the group, the wider the variations that may occur. Proper diversification of securities also is difficult under a plan with a small number of participants. Undoubtedly, a *trusted plan* imposes greater responsibility upon the employer than an insured plan under which annuity payments are guaranteed by the insurance carrier.

Another disadvantage of these *trusted plans* is that the Securities and Exchange Commission has claimed jurisdiction over them unless the plan is non-contributory or provides for compulsory membership. There is considerable doubt as to the validity of the claims of the SEC and a number of bills have been introduced to clear up these ambiguities. Final action, however, has not been taken.

Advocates of each method of funding claim that the ultimate cost of that method will be cheaper, or at least will not be more, than the other main types of funding. It is impossible to analyze the arguments for and against any one type in detail in an article of this length. Factors involved in the computation of costs under the various types will be discussed in the forthcoming study, as well as a more detailed discussion of advantages and disadvantages of each of the three main types.

TRENDS IN RETIREMENT PLANS

A comparison of the features of company retirement benefit plans included in the present study with those of plans surveyed in previous investigations of THE CONFERENCE BOARD brings out a number of interesting changes. The extent to which some of these trends will continue depends upon the interpretation of the revised Section 165 of the Internal Revenue Act.

Eligibility

A significant development in recent pension plans is the increasing number of plans which limit eligi-

bility to employees earning \$3,000 per year and over. Nearly a quarter of the new plans studied contain this restriction, compared to 6% of the plans included in the 1939 survey. A number of the restrictive plans are in the automobile, aircraft, and iron and steel industries where previously pension plans were relatively infrequent. Also, a considerable proportion of the individual policy plans restrict eligibility to these higher-income groups.

There has been some question as to whether plans restricted to employees with annual earnings of \$3,000 or more would qualify under the amended Internal Revenue Act. The 1942 act endeavored to curb certain abuses prevalent under the former act by providing that a plan to qualify for tax advantages should apply to 70% of all employees, or 80% of eligible employees if 70% or more of all employees are eligible. In computing these percentages, the company is permitted to exclude irregular or part-time employees and all employed less than five years. The act specifically stated, however, that a plan, if approved by the Commissioner, should not be considered discriminatory merely because it applied to employees earning over \$3,000 per year. In the regulations issued later by the Commissioner, such plans were considered to qualify for tax deductions of the employer's contributions, but only under very limited circumstances.

Pension Formulas

The pension formulas of new plans are not materially different from those in vogue formerly, but there are evidences of several trends which may be of some significance. One is the tendency of employers to cut down on the benefits given for service prior to the adoption of the pension plan. The provision of these past service benefits, as they are known, has always been the most troublesome problem in setting up a pension plan because their cost is high and may run as much as 100% or 150% of annual payroll in the older concerns. In former surveys of THE CONFERENCE BOARD, it was noted that many companies were reducing these benefits by cutting down on the number of years of past service which might be credited in computing past service benefits.

A new development has been observed in some of the recent individual policy plans. In calculating pension payments under these plans the benefit is not divided into years of past and future service. Instead a flat percentage of pay is given to all who have been employed for a specified number of years. A fairly common formula under this type is to grant a pension equivalent to 20% of income on the first \$3,000 annual earnings and 40% of income in excess of this amount. Most group annuity plans, however, still provide for a past service benefit which is usu-

ally equivalent to 1% of income for each credited year of service prior to the adoption of the plan.

The most common method of computing the future service pension benefit still remains one under which a specified percentage of the employee's income is given for each year of service in which he is a participant in the plan. The majority of plans are adjusted so as to provide a pension equivalent to 1½% of income per year of participation from both the company plan and Social Security benefits combined. This may be accomplished by deducting all or part of the federal benefits from the company pension or the company plan may provide for a smaller percentage of income on the first \$3,000. Plans which provide for 2/3 or ¾ of 1% of the first \$3,000 annual earnings and 1½% of the excess multiplied by years of future service are among the formulas most frequently used. In some companies the first \$600 annual earnings are ignored in computing the pension.

The Treasury Department regulations¹ regarding the pension formulas of plans which restrict eligibility to employees earning a yearly salary of \$3,000 are not altogether clear. They do not prescribe any particular formula that these plans must follow, but they do establish the rule that such plans must be so integrated with the federal benefits that the total benefits received by the covered employees, including Social Security benefits, shall not be greater than the benefits received under the Social Security Act by excluded employees. For this purpose, the total government benefits are considered as 15% of the primary benefit.

On July 28, 1943, Senator Robert A. Taft stated that these regulations were in "direct defiance" of the opinion of the Finance Committee of the Senate and of the clear meaning of the act. Upon reconvening of Congress in September, he proposes to offer a joint resolution declaring the Treasury's new pension trust regulations to be void.²

It is interesting to note that almost all the pension plans restricting participation to employees earning over \$3,000 per year which have been reviewed by THE CONFERENCE BOARD lately provide for benefits only on earnings above \$3,000. The formula most frequently appearing in these plans is 1½% of income above \$3,000 for each year of participation.

Contributions

For many years the trend has been toward pension plans under which the cost was borne by the employer and employee jointly but within the last year a number of noncontributory plans have appeared.

¹United States Treasury Department, T.D. 5279.

²New York Herald Tribune, July 29, 1943.

So far, the proportion of these plans is only about 10% of the total studied but it is probable that the proportion will go higher. With federal taxes at an all-time high, together with the rising cost of living and the pressure to save 10% of pay in war bonds, many companies believe that employees cannot assume this added burden. In contrast, other concerns believe that wartime incomes are so far above peacetime earnings that employees can finance their share of the payments out of their own pockets without inflicting hardship. The tax advantages of a qualified pension plan make the adoption of a noncontributory plan rather attractive to the company in the higher excess profit brackets at the present time.

Vesting Rights

During the past few years company pension plans have increasingly contained provisions for vesting rights. After the employee has been a participant for a specified period he is eligible to receive all or

part of the pension purchased by the company's contribution when he leaves or is discharged. Group annuity plans especially grant these vesting rights, but the employee ordinarily forfeits his right to the pension purchased for him by the employer if he withdraws his own contributions from the insurance company.

There are many factors which complicate the problem of company pension plans. Government laws and orders, the ever-present question as to whether inflationary prices will get entirely out of control, the proposed changes in the Social Security Act, the possible effect of the war on the working force are all influences which make it extremely difficult to forecast what the future of the private pension plan will be. It is significant that in spite of all these uncertainties, interest in employee retirement plans is increasing and many new programs have been established.

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Overtime Pay for Supervisors

THE COMPLEX problem of compensating supervisors and other exempt salaried employees for longer hours under the extended work week has been brought into sharp focus by a preliminary review of the replies received to the question, "How do you compensate a supervisor exempt from overtime pay under the Fair Labor Standards Act when a nonexempt subordinate employee's earnings exceed the supervisor's salary because of overtime premiums?" This question was included in a survey of personnel practices now being compiled by THE CONFERENCE BOARD for publication in the early fall. Only 40% of the replies stated that a definite plan was in force, and these plans were of such a variety that in no single case did more than 5% of the companies follow any one plan. In most instances, the number of companies subscribing to a single plan was less than 1/10 of 1%.

Of the 369 replies received to date, 166 companies, or 45%, stated that no plan has been adopted to handle the situation; 20 companies, or 5.4%, did not reply to the question, presumably because no solution had yet been found; and 12 other companies, or 3.3%, are faced with the problem but have not yet been able to cope with it. Several of these claim that there is no solution and others have appealed for any

information which might cast light on an admittedly bewildering problem.

TREASURY DEPARTMENT OUTLINES COMPENSATION PROCEDURE

Fortunately, there is a definite and prescribed course of action which these companies, representing almost 60% of the total replies, can take. Recognizing the growing significance of the problem, Guy T. Helvering, Commissioner of Internal Revenue, issued a statement on July 1, 1943, "for the guidance of employers," to quote from the official text, "who find it necessary to pay their salaried employees additional compensation to maintain productive efficiency on account of the extension of the normal work week." In general, Mr. Helvering's statement asserts that supervisors, exempt under the wage-hour act, are eligible for additional compensation in proportion to the additional hours of scheduled work, especially in labor shortage areas where the 48-hour work week has been directed, upon approval of the Salary Stabilization Division.

The Commissioner's jurisdiction extends to salaried employees receiving more than \$5,000 a year and to executive, administrative and professional employees receiving less than \$5,000 a year who are not repre-

sented by a recognized labor organization. In order to come within the Commissioner's jurisdiction, an "executive" employee must receive not less than \$30 a week, and an "administrative" or "professional" employee must receive not less than \$200 a month.

There is no hard and fast rule by which increases can be made. Because of varied industrial wage structures and differentials, Mr. Helvering's statement limits maximum differentials rather than prescribes a specific formula by which salaries could be adjusted with assurance of approval. To quote from Mr. Helvering's statement:

The maximum amounts which will be allowed are such amounts as are necessary to keep the minimum differentials between the interrelated job classifications required for the maintenance of productive efficiency. The amounts allowed will be proportionately less in the higher levels. Approval is required in all cases except where the employer had a regularly established overtime payment plan in effect on October 3, 1942, and neither the plan, the rates, nor the hours have been changed. The maximum limitations within which payments may be made will be determined on the following basis:

Additional compensation may be paid at the same overtime rates to all employees in a particular plant for the actual scheduled hours worked in excess of the regular 40-hour work week as is paid to the highest hourly paid employee, whose rate is subject to the Fair Labor Standards Act, if their compensation for the 40-hour work week is equal to or less than that of such highest hourly paid employee.

In the application of this principle, the highest participating pay level in direct line of supervision and the minimum additional compensation necessary for that level shall be determined to the satisfaction of the Commissioner. The amount allowable to the highest rated hourly employee will then be progressively reduced for the several intervening pay levels in such manner that each succeeding higher level receives a proportionately lesser amount, until the minimum amount allowable for the highest participating pay level as previously determined is reached.

This plan may be followed with respect to all salaried positions between the highest hourly rated employee receiving compensations at overtime rates and the highest salaried position for which overtime compensation is required.

ILLUSTRATIONS OF PLANS NOW IN USE

A simple plan which has had satisfactory results has been the payment of straight time to salaried supervisors for hours worked in excess of 40 per week. In many cases, the adoption of such a plan will maintain a differential between the hourly paid, nonexempt employee's total earnings and the supervisor's salary which should be a satisfactory solution to the problem, even though the differential is less than normally existed.

As an illustration, consider the case of a nonexempt employee earning \$1.00 an hour and a supervisor earning a salary of \$60 per week. Because of production demands and for other reasons, all production employees are required to work 10 hours a day Monday through Saturday—a total of 60 hours a week. On this basis, the hourly employee receives \$40 for his first 40 hours and \$30 for his 20 hours of overtime, paid at time-and-one-half, or a total earning of \$70. If no provision is made for compensating the supervisor for his overtime work the hourly employee's total weekly wages exceed his supervisor's. But assuming that the supervisor is paid for the 20 hours of overtime at the rate of \$1.50 an hour—the hourly equivalent of his regular salary—he would earn a total of \$90 for the 60-hour week. While the ratio between his new weekly earnings and his subordinate's total weekly wages is less than existed under a straight 40-hour week, it is quite likely that the difference would be satisfactory in most cases since the supervisor would again be earning more than his subordinate.

There appears to be one real disadvantage in compensating a supervisor for longer hours on a straight time basis. Under this plan, overtime pay will be related to hours of work and the supervisor will then be covered by Executive Order No. 9240. Such being the case, it would be necessary to pay the supervisor double his hourly equivalent for work performed on a seventh consecutive day, and time-and-one-half for work performed on any of the six holidays designated by the order.

A manufacturer of automotive equipment has adopted the following plan. Factory foremen and assistant foremen who are considered exempt under the provisions of the wage and hour law will be paid overtime in this manner:

1. The regular work week is nine hours a day, forty-five hours a week, with normal compensation for such period based on time-and-one-half for over forty hours. Such compensation is termed base salary.
2. During the period that a department is on a regular weekly schedule in excess of five days per week, a 20% increase in salary is allowed.
3. Overtime will be computed at time-and-one-half on the base hourly rate (base salary divided by 206) for hours worked in excess of 520 (13x40) during any thirteen-consecutive-week period starting with June 29, 1942.
4. Overtime earned plus 520 times base hourly rate represents total salary earned.
5. When the total salary earned is in excess of salary received, a check will be issued for the difference.
6. When the total salary earned is less than salary received, the difference will be applied as an offset to future overtime.

7. The period allowed for vacations will be considered as hours worked.

CHECK LIST FOR COMPENSATION PLAN APPLICATIONS

In order to expedite consideration of their problem, employers, in submitting applications to the Treasury Department for approval to make overtime adjustments, should include complete information, covering particularly the following:

1. The hours of the extended work week;
2. The hours of the previous work week;
3. The rates of pay of the wage and salaried employees under the jurisdiction of the National War Labor Board;
4. The amounts and rates of overtime presently being paid to those groups as well as to the groups under the jurisdiction of the Commissioner;
5. The number of employees for whom payments

are proposed, together with these employees' rates of pay;

6. A description of the several types or levels of supervision;

7. A clear description of the job classifications and positions of those required to work the same or more hours than the wage earners under the extended work week and for whom overtime compensation is required;

8. The top level of supervision at which the minimum additional compensation is required;

9. The amount of additional compensation deemed necessary in the top level of supervision so determined;

10. And the basis upon which both the top level of supervision and the amount of additional compensation to be paid that level have been determined.

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Holiday Pay under Order 9240

SECTION IB of Executive Order 9240 states that "no premium wage or extra compensation shall be paid for work on customary holidays except that time-and-one-half wage compensation shall be paid for work performed on any of the following holidays only: New Year's Day, Fourth of July, Labor Day, Thanksgiving Day, Christmas Day, and either Memorial Day or one other such holiday of greater local importance."

The holiday chosen as a substitute for Memorial Day need not be the same holiday each year, but only six holidays may be paid for at premium rates in the twelve-month period beginning October 1, 1942.

The essentials of Section IB are as follows:

1. Payment of time-and-one-half for work on the six designated holidays is mandatory.
2. Payment of premium wages on any other holidays as such is forbidden.
3. Payment of more than time-and-one-half for work on the six designated is forbidden.

Shortly after Order 9240 was issued there was considerable confusion relating to its proper application in the case of a wage earner who had previously been paid for idle holidays. Wartime demands for work on practically all holidays complicated the situation. Payment of time and one-half for work on a holiday is not much of an incentive to a worker when he can

get his regular rate for a holiday spent on a fishing trip.

Confusion regarding this application of the order was settled by the publication of the Secretary of Labor's First Interpretation of Order No. 9240 on September 25, 1942. Paragraph 5 stated that "double time on the designated holidays is forbidden unless they constitute the seventh day worked." This ruling has been reinforced in Interpretative Bulletin No. 1 of Executive Order 9240, issued by the Office of the Secretary of Labor on February 17, 1943. Paragraphs 16, 17, and 22 of this bulletin are as follows:

16. The order requires that time-and-one-half compensation be paid for work on designated holidays but forbids payment in excess of time and one-half. Thus, if the wages of an employee include compensation for a holiday although not worked, the additional amount which must be paid under the order for work performed on that holiday is limited to such amount as brings the total compensation for the day to time and one-half.

17. Compensation for work performed on a holiday should be computed at one and one-half times the straight-time rate paid for work on that day or one and one-half times the average straight-time hourly rate for the work week, whichever is the customary method of computing overtime compensation. The employer's records should indicate which method is adopted.

22. There is no provision in the order relating to compensation on holidays not worked.

PROBLEMS IN COMPUTING PREMIUM

The time-and-one-half premium pay required for work on the six designated holidays may not be offset or credited against overtime pay required for any other day or portion of the work week by virtue of this order or any other statute such as the Walsh-Healey Act. For example, assume that an employee has a work week of six days of eight hours each and the second day is one of the designated holidays. The holiday premium may not be credited or offset against the time and one-half required by the Walsh-Healey Act for hours in excess of forty. Both must be paid.

If, in the above example, a seventh consecutive day is worked, then double time must be paid for that day in addition to the holiday premium paid on the second day.

On the other hand, the order does not allow pyramiding of premium pay on a particular day. For example, if an employee works seven consecutive days of eight hours each in a given work week, the hours worked on the seventh day call for time and one-half under the Walsh-Healey Act and double time under Order 9240. The two premium rates may not be pyramided; that is, only double time may be paid for work on that day.

If an employer requests an employee to work more than eight hours on one of the six holidays he cannot

add the Walsh-Healey overtime premium to the holiday premium. According to paragraph 29 of Interpretative Bulletin No. 1 of Executive Order 9240: "Even though the hours worked on the holiday in excess of eight require time and one-half under the Walsh-Healey Act, the order limits the amount of compensation to time and one-half and prevents the pyramiding of overtime rates for the hours worked in excess of eight."

HOLIDAY FALLING ON SUNDAY

Where one of the holidays designated in the order falls on Sunday, either Sunday or Monday may be observed but not both. Where a union agreement provides for straight-time pay for a designated holiday not worked, payment of straight time for an idle holiday falling on Sunday pursuant to such agreement and time and one-half for work on the following Monday would be contrary to the terms of the order.

In the case of a seventh consecutive work day occurring on a designated holiday which falls on a Sunday, there may be a payment of double time for the work performed on Sunday, followed by payment of time and one-half for work performed on Monday, which is actually considered as the official holiday.

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Comments on Management Problems

A POLL OF THE VIEWS OF EXECUTIVES OF REPRESENTATIVE COMPANIES ON MATTERS OF TIMELY INTEREST

POINT 1. WLB General Order No. 31 requires approval of pay ranges for various job classifications. On the other hand, General Order No. 5 allows pay increases without WLB approval in the case of promotions or job reclassifications. Some companies have complained that they are forced to make "theoretical" upgradings (classifying typists as stenographers and stenographers as secretaries, etc.) because of delay or lack of approval of pay ranges. Are companies in your area finding it necessary to resort to these "paper promotions" in order to avoid losing employees?

Almost half of the executives replying to this question state that companies in their areas are giving wage and salary increases on the basis of "paper promotions" in order to retain their employees. On the other hand, several of the executives whose companies have considerable experience in administering job classification programs emphasize the point that they have had little or no difficulty in obtaining WLB approval on proposed

pay ranges. A smaller number of the replies contain complaints about WLB's delays in handling their requests. Representative replies to this question are as follows:

We have not resorted to the subterfuge of "paper promotions" to avoid losing employees and regard such practices as poor industrial relations policy. Not only would the prestige of our company be undermined by such practices, but also the morale of our employees would be impaired. It is only natural to expect delays in the administration of a program as comprehensive and complex as the War Stabilization Program, especially when it is administered by a new agency created for the purpose. We have experienced delays, but have received a sympathetic hearing and quick action from our Regional War Labor Board on urgent matters. We find that a thorough knowledge of the administrative structure and procedures of the War Labor Board is a great asset in expediting matters requiring approval of the board. There are many matters which officials of the board are authorized to

approve and which need not be presented to the board itself.

From the conversations I have had with several industrial employers in this area, I feel quite certain that there have been a number of so-called promotions resorted to in order to prevent the loss of employees. I do not believe this would be admitted, however, if any sort of formal inquiry were made.

There is no question that there are some "paper promotions" in order to continue operating under present wage restrictions. These subterfuges are resorted to primarily because of the length of time required to obtain War Labor Board approvals for changes in classifications. I doubt that these "paper promotions" are being indulged in to any great extent.

I have heard of a number of cases in various companies making the "theoretical" upgradings. We have not done it although there is certainly a tremendous temptation at times to resort to these paper promotions. I know of a number of cases in our companies where our failure to resort to this subterfuge has caused us to lose valuable employees.

Yes. Many companies are finding it necessary to resort to "paper promotions" to get around General Order No. 31. However, I find that local WLB representatives are aware of this and threaten to crack down on the flagrant violators.

We have not resorted to theoretical upgradings to take care of salary increases, and I do not know whether or not companies in this area have done it, but there is no question that the WLB approvals on wage increases are very slow and bothersome.

POINT 2. Various government officials have emphasized different reasons for the country's inability to meet war production goals during May and June. From experience in your company and from observation of developments in your area, what do you believe are the chief causes of these failures?

The shortage of manpower was mentioned more than twice as frequently as any other single cause. One out of every four executives attributes the disappointing production figures to various deficiencies in the government's administration of the civilian economy. The general attitude of labor (reflected in minor work stoppages and in the conscious restriction of output), shortage of materials, and the coal strike are three causes mentioned in slightly more than 20% of the replies. Other factors which have hurt production are machine failures, floods, absenteeism, unwarranted optimism, design changes, and the inability of some managements to plan, organize and produce on a suddenly increased scale.

Almost half of the cooperators volunteered the in-

formation that their companies met their production schedules in May and June. One executive does not believe that industry failed to meet war production goals. Comments on this question include the following:

The major reason for our inability to meet production goals during May and June was the serious flood in this area which imperiled our plant. We lost about a week's production by devoting all our facilities to combating the flood. Shortage of skilled labor and some critical materials have also hampered production. Shipping delays were encountered by failure to receive necessary shipping paper from military authorities.

We believe that the principal reason for failure to meet scheduled production is shortage of labor. There are just not enough skilled or semi-skilled operators to go around for our type of equipment.

We feel that the country's inability to meet war production goals during May and June was probably due to the manpower situation, of many new war plants hoarding labor and the tremendous withdrawal of men for the military forces. In our own case, the loss of male employees has been due to men leaving for better jobs in other industries, going into the military service, or not liking foundry operating conditions and the hot metal conditions in the summer. There are restrictions on the employment of women in the foundry industry under the state law, so that there are limited jobs that women can do. There are restrictions on the employment of boys 16 to 18 years of age, so that our particular industry, we feel, will be to the breaking point before the end of the year. We, here, in spite of the fact that we have added thirty boys of 16 to 18 years and about a dozen women, have not been able to keep our working force up. We are down about 20% in employees over January 1, 1943, and down better than 30% in tonnage. There seems to be a lack of understanding on the part of the military authorities and the War Manpower Commission as to the various industries and the manpower requirements.

There are two very definite reasons for inability to meet war production goals during May and June and they will likely also continue in the future. First, the fatigue of employees due to long periods of steady work without vacation or rest, and, second, a great number of experienced operators have been taken into the Armed Services and the replacements by older men and women naturally slow up production.

Production failures in this area have been due to two principal causes: first, a succession of minor work stoppages, and, second, an actual shortage of manpower. Recent drastic action of the War Labor Board, with the full support of the international officials of the unions involved, has for the time being settled the problem of work stoppages. The manpower situation is going to grow increasingly serious, and, unquestionably, a labor shortage may further impede the progress of the war effort.

My observation leads me to believe that the country's inability to meet war production goals during May and June, or any other month, is due to (a) governmental bungling in our civilian economy, such as OPA restrictions, and (b) the attitude of labor generally. Labor representatives talk a good patriotic bridge game and insist upon having their cake and eating it too. Labor generally (that is, the individual) would increase productivity 25% or more if they weren't influenced adversely by their labor leaders or representatives. If all management were to coerce and intimidate its employees one quarter as much as the unions intimidate and coerce their members, the Federal Government would have every industrial plant under its jurisdiction.

Our company is fortunate in that it has been successful in most instances in keeping ahead of production schedules. I would give the following reasons just as a matter of opinion, based on observation of why some companies may be behind in their schedules.

- (a) Material shortages and delays in obtaining necessary equipment.
- (b) Refusal of labor, supported behind the scenes by labor leaders, to go all out and forget petty gripes and petty arguments.
- (c) Necessity for industry to work with many people who are physically and temperamentally unsuited for the work they have been assigned to and who in normal times would not be employed at these types of work.
- (d) Inability of some managements to "shake out," plan and organize on the greatly increased scale necessitated by the magnitude of orders on schedule.

All in all, however, I would say that industry has done a magnificent job—one that exceeds what previously might have been expected could be done.

POINT 3. Management-labor committees were first recommended by Donald Nelson about fifteen months ago. How successfully are these committees functioning in your area? What are the benefits or disadvantages of management-labor committees?

There is no clear-cut consensus regarding either the success or the advantages and disadvantages of management-labor committees. Some replies manifest genuine enthusiasm about the success of the committees' operations. About an equal number report very little, if any, success.

The greatest successes appear to have been achieved in increasing production by activities directed toward combating absenteeism, alleviating transportation difficulties, reducing waste and developing safety campaigns. One disadvantage appears to lie in the employees' tendency to turn the committees into auxiliary grievance media. Some fear was expressed that these committees represented a wedge used by the unions to obtain a more active part in the operation of a company. The following replies are representative:

Our observation and experience in the operation of management-labor committees lead me to conclude that they are very helpful where there is a preexisting stable cooperative relationship between unions and management. Conversely, they are an additional source of discord where such a relationship does not exist.

Thus far, our labor-management committee has been successful, largely as a result of the caliber of men serving on this committee. A suggestion system, absenteeism control program and anti-waste campaign have been the major activities in which it has engaged. It is still too early to determine its long-run advantages or disadvantages. Two major problems are those of selecting proper personnel for these committees and limiting the scope of their activities to those in which they can function beneficially.

Management-labor committees are misnamed. It is another method taken by the Administration to force union labor into the management of industries, for which they are incompetent and unable to offer any benefits whatever.

No such committees have been formed in any companies we know anything about.

However, you will remember that it has always been the policy of all companies, and, so far as our knowledge extends in our own company, to welcome recommendations from any of our employees about better ways of doing things which come under their observation. This is not a new idea; it has been in effect over thirty years.

The only reason that labor advocates management-labor committees is that they see benefits and advantages for the union. I know some union strategy committees have resolved that the union would make more effective its part in the management-labor committee—to extend the scope of subjects discussed, put them to practical operation, creating precedents thereby and using them in future negotiations for contractual purposes. These committees believe that this procedure is a long-term one, but essentially necessary for postwar activities. While I am a thorough believer in management-union cooperation for the benefit of union members, company employees, and for society at large, and will do everything I can to promote and make effective this cooperation, I thoroughly believe that many present management-labor committees will be used as springboards by the unions to bore from within and acquire many concessions without accompanying responsibilities.

A few months ago I made a survey of the companies using management-labor committees in this area, talking with one or more of the responsible management people of each company about them. I found the characteristics of management-labor committees, both as to make-up and experience, very similar in almost every instance. On the other hand, I found the attitude expressed toward them by various executives either very much in favor of them, very much opposed to them, or accepting them as an expediency and for the influence their presence might

have in determining priorities. My personal feeling is that in theory management-labor committees are sound. Their effective use will become apparent only when management and labor representatives have learned how to use them as a means to the end of a cooperative enterprise relationship and how to carry on discussions in the committees without promoting and aggravating resentments. This can be achieved only as both sides are able to develop new habits of thinking and of conduct with respect to each other.

I think the benefits of these committees are that they represent a step in the direction of a better understanding between labor and management. I think the disadvantages are that in many instances they have been accepted as "window dressing" or as a refuge or expedient and that an impatient group of management representatives have been unwilling to devote themselves to building a sound relationship in the committees. On the other hand, labor representatives have misunderstood the purpose of such committees and frequently use them as grievance machinery in the presence of and in conflict with existing grievance arrangements under contract.

Management-labor committees are like many of the theories advanced in books on sociology and treatises on labor relations written by professors. In a company

where there has previously been little exchange of ideas between men and management they would probably add something because the interchange of ideas is novel and new. However, in a company where conversation between men and management is customary and routine the committees have added very little.

The worst that can be said about them is that they sometimes expend a lot of worker and management time on trivia. Members of the committee are educated, so to speak, but how much influence the committee has in a large organization is problematical. The best that can be said about them is that they don't harm anything in an organization, and occasionally something good results.

Management-labor committees seem to be functioning successfully where management accepts them sincerely. Unquestionably in many plants they are just tolerated; therefore, few results of a positive nature can be measured. Our own experience has been that they are helpful. There seems to be a better understanding between management and men. Some good ideas have come out of the suggestion system, and production has been indirectly improved because of the activity of the management-labor committees on questions of safety, absenteeism, transportation, etc.

Absenteeism during May

ABSENTEEISM in May accounted for an average loss of 0.8 days a man and 1.4 days a woman. These averages were computed from the figures of absenteeism in forty-two plants located in sixteen states and the District of Columbia and employing 119,736 persons. The plants represented were about 76% engaged in producing war materials of various kinds. About 83% of the men and 63% of the women were factory workers; the remainder worked in offices.

Short-term absences among women occurred at the rate of 391 a thousand, and long-term absences at a rate of 108 a thousand. The combined rate was 499 a thousand, with each absence averaging 2.9 days' duration.

Men had a short-term absence frequency of 197 a thousand, and the long-term absences occurred at a rate of 58 a thousand. The combined rate was 255 absences a thousand, with an average loss of 3.0 days an absence.

ABSENCES COMPARED

Women accounted for 41% of all absences, but there were 95.7% more absences a thousand women than there were a thousand men. They were respon-

sible for 41.1% of all absences of one, two or three days' duration, with 98.5% more absences a thousand employees than men. These short-term absences accounted for 38.2% of the total time lost by women because of sickness, nonindustrial accidents and personal reasons. The absence frequency rate of female employees was 86.2% higher than that of men in the long-term absence category but, since fewer women were employed, women's absences of four or more days' duration represented only 40.1% of all long-term absences.

TABLE 1: AVERAGE WEEKLY WORK HOURS

	Avg. Work Week in Factory	Avg. Work Week in Office
Men.....	47.5	40.7
Women.....	43.0	40.4
Combined.....	46.5	40.5

HOURS OF WORK

Table 1 shows the average weekly work hours in factory and office for May. In the report as a whole, men worked 46.3 hours a week on an average, or 4.3 hours more than women.

The relationship of absenteeism to hours of work

TABLE 2: FREQUENCY AND DURATION OF ABSENCE
AMONG 87,936 MALE EMPLOYEES IN MAY, 1943
IN RELATION TO HOURS WORKED A WEEK

Weekly Work Hours	Average Number of Absences for 1,000 Employees			Average Days Lost an Absence			Average Number of Days Lost an Employee
	Short-term	Long-term	All Absences	Short-term	Long-term	All Absences	
Over 60.	214	78	292	1.5	11.4	4.2	1.2
55-59..	467	73	540	1.4	9.5	2.5	1.3
50-54..	501	73	574	1.0	7.4	1.8	1.0
45-49..	157	61	218	1.4	6.6	2.9	0.6
40-44..	93	43	136	1.5	12.0	4.9	0.7
35-39..	229	29	258	1.4	4.0	1.7	0.4
Total.	197	58	255	1.4	8.8	3.0	0.8

TABLE 3: FREQUENCY AND DURATION OF ABSENCE
AMONG 31,800 FEMALE EMPLOYEES, MAY, 1943
IN RELATION TO HOURS WORKED A WEEK

Weekly Work Hours	Average Number of Absences for 1,000 Employees			Average Days Lost an Absence			Average Number of Days Lost an Employee
	Short-term	Long-term	All Absences	Short-term	Long-term	All Absences	
55-59..	409	118	527	1.7	3.7	2.2	1.2
50-54..	650	116	766	1.3	7.7	2.3	1.7
45-49..	476	104	580	1.4	9.9	2.9	1.7
40-44..	364	12	376	1.4	7.0	2.8	1.4
35-39..	240	97	337	1.5	7.0	3.1	1.1
Total.	391	108	499	1.4	8.2	2.9	1.4

for male employees is indicated in Table 2. The increase in the number of days lost an employee as weekly hours of work increased indicates the effect of longer hours upon illness and other reasons for absence. The rates of absence in the 35-39 hour group and that over 54 hours are not significant as they were composed of small samples.

Data on hours and absenteeism for women are given in Table 3. Hours of work apparently have a much greater effect upon the frequency rate of women than of men. However, the number of days lost an absence runs about the same for men and women in the short-term absence category.

REASONS FOR ABSENCE

The reports of 37 plants employing 102,774 persons are analyzed in Table 4 to show the relative importance of illness, nonindustrial accidents and absence for personal reasons. Illness accounted for 49.2% of the absences, personal reasons for 49.8% and nonindustrial accidents for 1.0%. These causes were responsible for 62.5%, 36.3% and 1.2%, respectively, of the total time lost.

SIGNIFICANCE OF NINE-MONTH FIGURES

Table 5 presents the rates of absence in the cooperating companies over a nine-month period. It is inter-

TABLE 4: FREQUENCY AND DURATION OF ABSENCE
AMONG 76,432 MALE AND 26,342 FEMALE
EMPLOYEES, MAY, 1943, ACCORDING TO
REASONS FOR ABSENCE

Classification	Short-term Absences			Long-term Absences			All Absences		
	Ill	Accident	Other	Ill	Accident	Other	Ill	Accident	Other
Absences per 1,000 men..	84	1	120	43	1	15	127	2	135
1,000 women..	197	1	204	67	1	54	264	2	258
Days lost an absence									
Men.....	1.5	1.8	1.2	9.5	14.2	7.0	4.2	9.1	1.8
Women...	1.5	1.6	1.3	7.8	9.5	7.3	3.1	5.8	2.6

TABLE 5: FREQUENCY AND DURATION OF ABSENCE
AMONG AN AVERAGE OF 95,196 MEN AND 30,524
WOMEN FOR THE NINE-MONTH PERIOD FROM
SEPTEMBER, 1942, THROUGH MAY, 1943

	Average Number of Absences for 1,000 Employees			Average Days Lost an Absence			Average Number of Days Lost an Employee a Month	Total Days Lost in Period by Average Worker
	Short-term	Long-term	All Absences	Short-term	Long-term	All Absences		
Men....	192	52	244	1.7	8.8	3.2	0.8	7.1
Women..	360	91	451	1.7	8.1	3.0	1.3	12.1

esting to note that while the number of absences a thousand employees in May is higher than the per-month frequency of the nine-month period, the number of days lost an absence is less in May, and the number of days lost an employee in May is about the same as the average number a month taken over the period from September, 1942, through May, 1943.

TABLE 6: CHANGE IN EMPLOYMENT
APRIL TO MAY, 1943

Companies on War Production	Men	Women	Total
100%.....	+0.7%	+8.4%	+2.4%
75%-99%.....	-1.0	+1.9	-0.4
50%-74%.....	-4.7	+6.2	-2.2
Under 50%.....	-1.3	-2.6	-1.7
Combined.....	-1.4	+4.0	-0.1

EMPLOYMENT TRENDS

Thirty-one companies decreased the number of employees on their payrolls .1% from April to May. The only total increase in employment was shown in the companies on 100% war production where the employment of men, as well as women, was increased. All other categories lost men at a greater rate than they gained women.

ISABEL RODGERS
Management Research Division

Monthly Review of Labor Statistics, June-July, 1943

THE COST OF LIVING on a wartime budget for families of wage earners and lower-salaried clerical workers in the United States declined 1.2% from June to July. This is the first decline in the cost of living in over two and one-half years. After remaining unchanged from October to November, 1940, the cost of living began to rise and continued to rise every month up to June of this year. This upward trend has reflected labor and material shortages, rising raw material and labor costs, speculation, higher production costs as a result of wartime plant conversion, and many other factors.

A decline of 2.9% in the cost of food caused the decline in the composite index of living costs. Although the cost of housing and fuel and light remained unchanged, the cost of clothing rose 0.2% from the June level and sundries items advanced 0.1%.

thirds of the food expenditures of moderate-income families. The one-third of the food budget not covered continued to advance so rapidly that the overall rate of increase in the food index was almost as rapid as before the issuance of the regulation.

During the seventeen-month period from January, 1941, to May, 1942, when the regulation became effective, food costs made an average advance of 1.4% a month, and all living costs rose on the average of 0.7% a month. During the year-period that followed, food costs advanced an average of 1.3% a month and all living costs 0.6% a month. In May, 1943, the prices were frozen of foods the purchase of which constituted over 96% of the family food expenditure, and attempts were begun to roll back the prices of some foods. The results were immediately reflected in THE CONFERENCE BOARD's index. From May to June there was no change in the cost of food and a mere

PERCENTAGE CHANGES IN THE COST OF LIVING ON WARTIME BUDGETS IN 65 CITIES JUNE TO JULY, 1943

Source: THE CONFERENCE BOARD

City	Percentage Change	City	Percentage Change	City	Percentage Change	City	Percentage Change
New Orleans.....	+0.8	Wausau, Wisc.....	-0.4	Lewistown, Pa.....	-1.0	Milwaukee.....	-1.5
Chattanooga.....	+0.7	Cincinnati.....	-0.5	Omaha.....	-1.0	Syracuse.....	-1.5
Macon.....	+0.6	Denver.....	-0.5	Sacramento.....	-1.0	Rockford.....	-1.6
Minneapolis.....	+0.5	Rochester.....	-0.5	Seattle.....	-1.0	Des Moines.....	-1.7
Birmingham.....	+0.4	St. Louis.....	-0.5	Kansas City, Mo.....	-1.1	Los Angeles.....	-1.7
Meadville, Pa.....	+0.2	Akron.....	-0.6	Toledo.....	-1.1	New Haven.....	-1.7
Duluth.....	0	Cleveland.....	-0.6	Wilmington.....	-1.1	Philadelphia.....	-1.8
Atlanta.....	-0.1	Detroit.....	-0.7	Chicago.....	-1.2	San Francisco.....	-1.8
Dallas.....	-0.2	Front Royal.....	-0.7	Evansville, Ind.....	-1.2	Boston.....	-2.0
Erie.....	-0.2	Huntington, W. Va.....	-0.7	Parkersburg, W. Va.....	-1.3	Spokane.....	-2.0
Lansing.....	-0.2	Grand Rapids.....	-0.8	Richmond.....	-1.3	Youngstown.....	-2.0
Memphis.....	-0.3	Louisville.....	-0.8	Trenton.....	-1.3	Fall River.....	-2.1
Newark.....	-0.3	Portland, Ore.....	-0.8	Muskegon.....	-1.4	Indianapolis.....	-2.1
St. Paul.....	-0.3	Roanoke, Va.....	-0.8	New York.....	-1.4	Baltimore.....	-2.2
Dayton.....	-0.4	Providence.....	-0.9	Pittsburgh.....	-1.4	Bridgeport.....	-2.2
Houston.....	-0.4	Buffalo.....	-1.0	Lynn.....	-1.5	Manchester, N. H.....	-2.3
Oakland.....	-0.4						

Through the whole period of rising living costs, the price of food has been the determining factor upon the index. Over one-third of the expenditures of the families of wage earners and lower-salaried clerical workers go for food, the cost of which has increased faster than other items of the budget. The enactment of the General Maximum Price Regulation in May, 1942, which froze prices of most of the goods and services affecting living costs, failed to retard the advance in food prices because a very large and important block of food commodities were not included. The original order affected less than two-

0.1% increase in total living costs. This month, principally as a result of the roll-back in meat prices and the usual seasonal declines in the price of vegetables, food costs declined for the first time in thirty-two months and brought about a decline in all living costs.

Changes by Cities

From June to July, living costs declined in fifty-eight of the sixty-five cities whose indexes are based upon a wartime budget. In one city, Duluth, there was no change in living costs; and in six, New Orleans, Chattanooga, Macon, Minneapolis, Birmingham and

Meadville, living costs continued to rise. The largest decline, 2.3%, occurred in Manchester, New Hampshire, and the largest increase, 0.8%, took place in New Orleans. Over the year, living costs rose in all of the sixty-five cities, the increases having ranged from 2.3% in Bridgeport to 8.4% in Newark.

WAGE-RATE INCREASES AND WORKERS AFFECTED

Source: THE CONFERENCE BOARD

Date	25 Manufacturing Industries	
	Wage Earners Affected	Wage-rate Increase
1942		
June.....	4.3%	7.5%
July.....	4.6	7.1
August.....	9.6	5.8
September.....	5.7	6.5
October.....	5.3	6.7
November.....	6.6	6.7
December.....	2.0	5.0
1943		
January.....	0.6	14.4
February.....	1.3	7.6
March.....	0.9	6.0
April.....	0.6	5.9
May.....	1.3	7.9
June.....	0.7	6.9

EARNINGS AND HOURS

While advances in living costs were at least temporarily halted, earnings of workers in the twenty-five manufacturing industries regularly studied by THE CONFERENCE BOARD continued to increase. Although the average number of hours worked in a week by a wage earner declined 0.2%, a 0.7% rise in hourly earnings raised weekly earnings 0.4% to the highest level recorded. Hourly earnings, too, were at a new peak. In June, the average worker in the twenty-five manufacturing industries worked 45.2 hours and earned \$1.016 an hour, or \$46.12 a week. The combination of increased earnings and a 0.4% increase in employment brought the total payrolls of these manufacturing industries up 0.8% to a level 136.8% above the average level for 1929 and to a new record for this series.

Wage-rate Increases

The average size of the wage-rate increases in the twenty-five manufacturing industries was 6.9% in June, or almost the same as in other recent months. The number of wage earners enjoying increases, however, declined sharply from 1.3% in May to 0.7% in June, so that fewer than one-sixth as many were receiving wage-rate increases as in June, 1942. The

average wage increase received in June, 1942, was 7.5%. The most significant occurred in "other woolen products" (largely rug manufacturing), in which 27.5% of the employees received increases averaging 4.6%. The largest wage-rate increase was given in the book and job printing industry in which 5.5% of the employees received increases averaging 16.1%.

STRIKES

Strike activity increased substantially in June, when the number of workers involved in strikes which began in that month and the number of man days lost exceeded the totals for 1942. The loss of 4,750,000 man days in June represented an increase of nearly 300% over the May level. Over 50% more workers were involved in new strikes in June than in May, the total having been 950,000 in June. Four hundred strikes were begun in June, compared with 395 in May.

July marked the first indictments under the Smith-Connally anti-strike law. Action was taken by the Federal Grand Jury in the Pittsburgh area of Pennsylvania to clear up the strikes that had persisted in that area ever since the passage of the act on June 25. The indictments of thirty persons charged with having directed coal strikes and having interrupted operations of the coal mines in the government's possession were returned on July 26. This led to union action for a court test of the constitutionality of the Smith-Connally Act. On August 10, a petition was filed with the Federal District Court to quash the five pending indictments on the grounds that they violated two amendments to the Constitution. The outcome of this court test may decide the methods to be used in the future to prevent strikes that are interfering with war production. If the law is upheld, many problems of control of war strikes will still remain, such as the action to be taken if employees properly vote a strike (such as in the case of the Allis-Chalmers employees in Springfield, Ohio) and then carry the strike into effect.

Another crisis may arise when the coal mines now in possession of the government are returned to the owners. John L. Lewis has threatened to call a general strike as soon as this occurs. Yet, under the Smith-Connally law, the mines must be returned to their owners within sixty days after normal productive efficiency has been reached. Normal operations were attained in many mines shortly after the President's "back-to-work" order on June 22. It will not be long, therefore, before many mines will be transferred back to their owners.

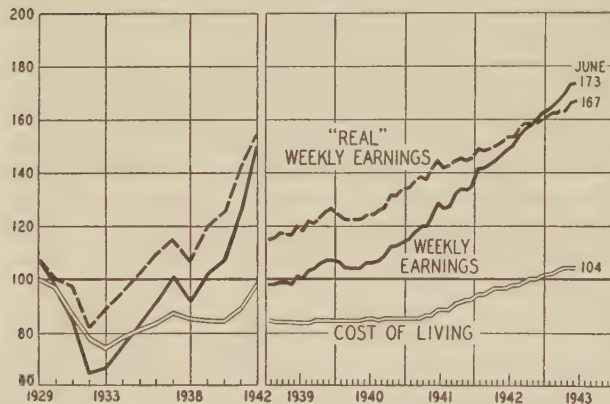
G. CLARK THOMPSON
Division of Labor Statistics

Earnings, Hours, Employment and Payrolls in Manufacturing, June, 1943

INDEXES of earnings, man hours and payrolls rose to new peaks in June, according to THE CONFERENCE BOARD's regular monthly survey of labor statistics in twenty-five manufacturing industries. The employment index, which advanced fractionally in June and regained two-thirds of the April and May losses, was only slightly lower than the March peak

AVERAGE WEEKLY EARNINGS, 25 MANUFACTURING INDUSTRIES

Source: THE CONFERENCE BOARD



but higher than in any other month. Although fewer hours of work in one week were averaged, the work week was longer in June than in any other month except May since April, 1930.

In the eighteen months during which the country has been at war, hourly and weekly earnings have risen in each consecutive month. A substantial part of the shift from the production of civilian goods to those items necessary to our war operations had occurred before Pearl Harbor, but it was not until after that date that the withdrawal of men from industry necessitated the employment of untrained women workers in the greatly accelerated war production program. Despite this influx of large numbers of lower-paid women workers into manufacturing, both hourly and weekly earnings continued to rise. In the first nine months, wage-rate increases and incentive payments contributed substantially toward the higher earnings, as did double-time payments for work on Sundays and holidays. In the later half of the period, wage rates were frozen and double-time payments were withdrawn except for the seventh consecutive day of work so that increased working hours with additional premium overtime payments were largely responsible. Since December, 1941, hourly earnings of all workers in the twenty-five industries have advanced 17.1% and since January, 1941, the base date of the Little Steel formula, the rise has been 33.9%. Because of the increase in working hours, weekly earnings rose even more, 27.8%, since December, 1941, and 50.7% since January, 1941.

"Real" weekly earnings, or dollar weekly earnings adjusted for changes in the cost of living, also rose substantially in this period. While living costs ad-

EARNINGS, HOURS, EMPLOYMENT, PAYROLLS, ALL WAGE EARNERS, 25 MANUFACTURING INDUSTRIES

NOTE: Hourly earnings are not wage rates, because they include overtime and other monetary compensations

Date	Average Hourly Earnings	Average Weekly Earnings	Average Actual Hours per Week per Wage Earner	Average Nominal Hours per Week per Wage Earner	Index Numbers, 1925 = 100							
					Hourly Earnings		Weekly Earnings		Actual Hours per Week per Wage Earner	Employ- ment	Total Man Hours	Payrolls
					Actual	Real	Actual	Real				
1942 June.....	\$.917	\$39.52	42.7	41.2	169.5	174.2	148.5	152.6	86.8	134.2	116.5	199.3
July.....	.928	39.80	42.6	41.2	171.5	175.4	149.6	153.0	86.6	135.7	117.5	203.0
August.....	.940	40.87	43.2	41.2	173.8	177.2	153.6	156.6	87.8	137.9	121.1	211.8
September.....	.957	41.79	43.4	41.3	176.9	179.4	157.0	159.2	88.2	139.6	123.1	219.2
October.....	.958	42.10	43.6	41.4	177.1	177.6	158.2	158.7	88.6	141.6	125.5	224.0
November.....	.966	42.50	43.7	41.5	178.6	178.1	159.7	159.2	88.8	141.8	125.9	226.5
December.....	.970	42.98	44.2	41.6	179.3	177.5	161.5	159.9	89.8	145.2	130.4	234.5
1943 January.....	.979	43.56	44.3	41.9	181.0	178.5	163.7	161.4	90.0	146.3	131.7	239.5
February.....	.982	43.85	44.5	42.3	181.5	178.3	164.8	161.9	90.4	148.0	133.8	243.9
March.....	.987	44.30	44.7	42.6	182.4	177.4	166.5	162.0	90.9	148.4	134.9	247.1
April.....	.998	45.02	44.9	42.8	184.5	177.9	169.2	163.2	91.3	147.7	134.9	249.8
May.....	1.009 _r	45.92 _r	45.3 _r	43.0	186.5 _r	179.3 _r	172.6 _r	166.0 _r	92.1 _r	147.5	135.8 _r	254.6 _r
June.....	1.016	46.12	45.2	43.1	187.8	180.6	173.3	166.6	91.9	148.1	136.1	256.7

_rRevised

See footnotes on page 352

vanced 11.6% from December, 1941, to June, 1943, the rise in dollar earnings was even greater, with the result that "real" weekly earnings in June were 14.5% higher than they had been in December, 1941. Since January, 1941, "real" weekly earnings have advanced 24.6%.

While working hours rose abruptly from December, 1941, to January, 1942, the average increase was only 0.3% a month during the next ten months. A sharp advance in the number of weekly working hours in December, 1942, and an average monthly increase of 0.5% through May raised them to a level not reached since April, 1930. The 0.1-hour decline in June brought the average to 45.2 hours, which was 8.7% more than the December, 1941, average and 12.4% more than the hours worked during January, 1941.

Employment gains were recorded in each of the first fifteen months since our entry into the war, and new peak levels of employment were established in each consecutive month. While employment fell off slightly in both April and May, the June rise offset two-thirds of the decline. The index number of employed wage earners in June, 148.1, (1923 = 100) was 16.8% above the December, 1941, level and 35.7% greater than in January, 1941.

Total man hours worked, which reflect changes both in employment and average hours of work in one week, rose 0.2% in June, because employment advanced more than working hours declined. The June peak level exceeded that of December, 1941, by 26.8% and the January, 1941, level by 52.7%.

Since total payrolls disbursed are affected by earn-

EARNINGS AND HOURS, ALL WAGE EARNERS, JUNE, 1943

NOTE: Hourly earnings are not wage rates, because they include overtime and other monetary compensations

INDUSTRY	Average Earnings				Average Hours per Week per Wage Earner			
	Hourly		Weekly		Actual		Nominal	
	June	May	June	May	June	May	June	May
Agricultural implement.....	\$1.082	\$1.082	\$49.23	\$51.04	45.5	47.2	46.1	46.1
Automobile.....	1.804	1.298 _r	58.94	60.88 _r	45.2	46.9	43.0	43.0
Boot and shoe.....	.703	.698	27.30	28.08	38.9	40.2	40.6	40.7
Chemical.....	1.027	1.021	46.01	47.99	44.8	47.0	42.0	41.8
Rayon and allied products.....	.910	.910	38.40	41.31	42.2	45.4	41.6	41.3
Cotton—North.....	.751	.747	32.88	32.43	43.8	43.4	40.6	40.7
Electrical manufacturing.....	1.064	1.062	49.38	49.50	46.4	46.6	42.5	42.4
Furniture.....	.958	.947	46.51	45.55	48.5	48.1	43.2	43.1
Hosiery and knit goods.....	.769	.770	31.47	31.48	40.9	40.9	41.1	41.0
Iron and steel.....	1.127	1.134	48.74	47.49	43.3	41.9	42.0	42.0
Leather tanning and finishing.....	.868	.862	37.24	36.69	42.9	42.6	43.1	42.9
Lumber and millwork.....	1.084	1.072	50.50	49.38	46.6	46.1	46.1	46.1
Meat packing.....	.879	.875 _r	41.29	40.18 _r	47.0	45.9 _r	40.6	40.6 _r
Paint and varnish.....	.928	.927	45.19	45.42	48.7	49.0	40.7	40.6
Paper and pulp.....	.880	.876	42.11	41.44	47.8	47.3	43.0	42.7
Paper products.....	.805	.803	35.34	35.62	43.9	44.4	41.9	41.7
Printing—book and job.....	.935	.928	39.82	40.78	42.6	43.9	40.8	40.7
Printing—news and magazine.....	1.089	1.065	42.28	41.56	38.8	39.0	39.8	39.7
Rubber.....	1.119	1.110	51.62	50.64	46.1	45.6	42.3	42.3
1. Rubber tires and tubes.....	1.229	1.215	57.16	55.57	46.5	45.7	42.9	42.9
2. Other rubber products.....	.970	.969	44.24	44.08	45.6	45.5	41.6	41.6
Silk and rayon.....	.728	.718	30.12	29.69	41.4	41.4	42.3	42.3
Wool.....	.881	.874	37.60	37.47	42.7	42.9	41.2	41.2
1. Woolen and worsted goods.....	.860	.855	36.71	36.21	42.7	42.3	40.3	40.3
2. Other woolen products.....	.915	.903	39.02	39.51	42.6	43.7	42.8	42.8
Foundries and machine shops.....	1.111	1.099	53.46	52.89	48.1	48.1	45.3	45.0
1. Foundries.....	1.068	1.054	50.22	49.41	47.0	46.9	43.2	43.0
2. Machines and machine tools.....	1.074	1.070	54.10	54.10	50.4	50.6	47.9	46.8
3. Heavy equipment.....	1.183	1.162	55.89	55.24	47.2	47.5	45.7	45.6
4. Hardware and small parts.....	1.056	1.047	50.45	49.77	47.8	47.6	44.6	44.5
5. Other products.....	1.107	1.097	53.17	52.53	48.0	47.9	44.4	44.5
25 INDUSTRIES.....	\$1.016	\$1.009 _r	\$46.12	\$45.92 _r	45.2	45.3 _r	43.1	43.0
Cement.....	.842	.846	\$35.09	\$34.45	41.7	40.7	42.1	41.5
Petroleum refining.....	1.238	1.228	54.25	52.97	43.8	43.1	39.9	39.9
27 INDUSTRIES.....	\$1.018	\$1.011	\$46.15	\$45.93 _r	45.1	45.2	43.0	42.9
Aircraft.....	\$1.075	\$1.055	\$48.38	\$48.00	45.0	45.5	47.2	47.3
Shipbuilding.....	1.265	1.258 _r	58.95	58.62 _r	46.6	46.6	47.6	47.6

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ings as well as hours and employment and since earnings have risen so consistently, it is to be expected that rises in this series will be much larger than in any of the others. The new June peak level of 256.7 (1923=100) was up 49.3% from the December, 1941, level and 104.5% since January, 1941.

CEMENT AND PETROLEUM

A decline in the proportion of skilled workers in the cement industry in June was responsible for a fractional reduction in hourly earnings of all workers. Increased working hours, however, caused weekly earnings of skilled workers as well as those of all workers to rise during the month. Unskilled workers received slightly more for each hour of work but worked less in June than they had in May.

More hours were worked in June by all classes of labor in petroleum refining. As a result, larger premium overtime payments were received and hourly earnings for all workers averaged 0.8% higher in June. Weekly earnings of \$54.25 in June, showing the effect of both the higher hourly earnings and the longer working hours, were 2.4% more than in May.

Average hourly earnings of all aircraft workers were advanced 1.9% in June to \$1.075 despite a reduction in the number of hours worked in one week to 45.0. Each group of workers received higher hourly earnings and worked fewer hours in June. As a result, the average weekly return for all wage earners of \$48.38 was 0.8% more than the May average.

Although hourly earnings of shipyard workers advanced only 0.6% from May to June, they were still substantially higher than those of aircraft workers, both because of longer working hours and more overtime and because of higher basic rates. For 46.6 hours of work in one week, all shipyard workers averaged \$58.95 a week in June or 0.6% more than in May.

LABOR STATISTICS IN JUNE

Hourly earnings rose 0.7% from the May level and averaged \$1.016 in June. As compared with June, 1942, they have increased 10.8% and since 1929 the rise has been 72.2%.

Weekly earnings of \$46.12 were averaged in June. They were 0.4% higher than in May, 16.7% more than in June, 1942, and 50.7% more than in 1929.

EARNINGS, EMPLOYMENT, MAN HOURS, AND PAYROLLS, ALL WAGE EARNERS, JUNE, 1943

Index Numbers, 1923=100

NOTE: Hourly earnings are not wage rates, because they include overtime and other monetary compensations

INDUSTRY	Average Earnings						Employment	Total Man Hours Worked		Payrolls		
	Hourly, Actual	Weekly										
		Actual		Real a								
		June	May	June	May	June						May
Agricultural implement.....	194.6	194.6	179.0	185.5	172.1	178.4	170.1	165.0	156.3	157.4	304.5	306.1
Automobile ¹	206.3	205.4 _r	195.6	202.0 _r	188.1	194.2 _r	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Boot and shoe.....	142.0	141.0	120.8	124.2	116.2	119.4	88.3	90.0	75.3	79.4	106.7	111.8
Chemical.....	203.0	201.8	171.0	178.3	164.4	171.4	162.9	161.1	137.2	142.3	278.6	287.2
Cotton—North.....	168.8	167.9	154.8	152.7	148.8	146.8	48.8	49.8	44.7	45.2	75.5	76.0
Electrical manufacturing.....	187.3	187.0	182.3	182.7	175.3	175.7	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Furniture ²	185.8	183.2	186.5	182.6	179.3	175.6	139.9	140.9	140.7	140.6	260.9	257.3
Hosiery and knit goods.....	201.3	201.6	178.1	178.2	171.2	171.3	86.7	87.0	76.6	76.8	154.4	155.0
Iron and steel ³	189.1	190.3	142.4	138.8	136.9	133.5	126.1	126.7	94.6	92.0	179.6	175.9
Leather tanning and finishing.....	178.6	177.4	160.8	158.4	154.6	152.3	78.6	80.5	70.8	72.0	126.4	127.5
Lumber and millwork.....	229.2	226.6	215.6	210.8	207.3	202.7	57.8	57.5	54.4	53.5	124.6	121.2
Meat packing.....	185.8	185.0 _r	175.4	170.7 _r	168.7	164.1 _r	131.0	130.7 _r	123.9	120.8 _r	229.8	223.1 _r
Paint and varnish.....	173.8	173.6	170.1	170.9	163.6	164.3	144.0	141.3	140.8	139.0	244.9	241.5
Paper and pulp.....	174.6	173.8	161.5	158.9	155.3	152.8	114.1	113.3	105.3	103.4	184.3	180.0
Paper products.....	176.5	176.1	162.3	163.5	156.1	157.2	182.6	178.9	168.4	166.9	296.4	292.5
Printing—book and job.....	143.2	142.1	133.0	136.2	127.9	131.0	117.5	124.6	109.0	119.1	156.3	169.7
Printing—news and magazine.....	157.1	153.7	135.4	133.1	130.2	128.0	122.8	124.1	105.9	107.6	166.3	165.2
Rubber.....	178.8	177.3	184.2	180.7	177.1	173.7	114.1	114.5	117.4	116.6	210.2	206.9
Silk and rayon.....	146.8	144.8	130.8	128.9	125.8	123.9	85.0	84.2	75.7	74.9	111.2	108.5
Wool.....	174.5	173.1	156.9	156.3	150.9	150.3	80.5	81.7	72.4	73.8	126.3	127.7
Foundries and machine shops.....	193.9	191.8	188.4	186.4	181.2	179.2	249.6	247.5	242.1	240.1	470.2	461.3
1. Foundries.....	181.0	178.6	169.6	166.9	163.1	160.5	157.2	156.9	147.1	146.5	266.6	261.9
2. Machines and machine tools.....	195.6	194.9	198.2	198.2	190.6	190.6	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
3. Heavy equipment ⁴	176.6	173.4	169.3	167.3	162.8	160.9	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
4. Hardware and small parts.....	206.3	204.5	203.3	200.6	195.5	192.9	219.0	217.6	215.9	213.5	445.2	436.5
5. Other products.....	197.7	195.9	194.5	192.2	187.0	184.8	271.6	271.8	267.3	266.9	528.3	522.4
25 INDUSTRIES.....	187.8	186.5 _r	173.3	172.6 _r	166.6	166.0 _r	148.1	147.5	136.1	135.8 _r	256.7	254.6 _r

NOTE: No basic 1923 data are available, hence no indexes are given for the following: rubber tires and tubes, other rubber products, woolen and worsted goods, other woolen products, cement, petroleum refining, and "27 industries."

See footnotes on page 352

Hours per week declined 0.1 hours, or 0.2%, in June. Since June, 1942, they had risen 5.9% and were only 6.4% below the average for 1929.

"Real" weekly earnings, or dollar weekly earnings in terms of the commodities and services they will purchase, advanced 0.4% in June to a level 9.2% above those of June of last year and 55.4% higher than in 1929.

Employment gains averaged 0.4% in June. Since June of last year, 10.4% more wage earners have been employed and since 1929, 46.6%.

Total man hours worked in June were 0.2% more than in May. They exceeded the June, 1942, level by 16.8% and the average for 1929 by 37.2%.

Payrolls stood at 256.7 (1923 = 100) in June, 0.8%

more than in May, 28.8% more than a year before and 136.8% above those during 1929.

More workers were employed in the twenty-five manufacturing industries in June than in any other month except March. They received more an hour and the largest weekly return of any month since these surveys were initiated. They worked fewer hours than in May, but more hours than in any other month since April, 1930. "Real" weekly earnings, or the purchasing power of dollar weekly earnings, rose to another new peak level in June. Factories were operated more man hours and payrolls were larger in June than in any other month.

ETHEL B. DUNN

Division of Labor Statistics

EARNINGS AND HOURS, MALE AND FEMALE WAGE EARNERS, JUNE, 1943

NOTE: Hourly earnings are not wage rates, because they include overtime and other monetary compensations

INDUSTRY	ALL MALE						FEMALE					
	Average Earnings				Average Hours per Week per Wage Earner		Average Earnings				Average Hours per Week per Wage Earner	
	Hourly		Weekly				Hourly		Weekly			
	June	May	June	May	June	May	June	May	June	May	June	May
Agricultural implement.....	\$1.109	\$1.105	\$50.54	\$52.32	45.6	47.3	\$.832	\$.825	\$37.20	\$37.18	44.7	45.1
Automobile ¹	1.363	1.357 _r	62.50	64.69 _r	45.9	47.7	1.066	1.043 _r	45.60	45.78 _r	42.8	43.9
Boot and shoe.....	.829	.828	33.30	34.41	40.2	41.6	.581	.575	21.91	22.43	37.7	39.0
Chemical.....	1.103	1.094	50.19	52.51	45.5	48.0	.701	.694	28.95	30.12	41.3	43.4
Rayon and allied products.....	1.012	1.001	44.43	43.04	43.9	43.0	.671	.664	26.37	25.76	39.3	38.8
Cotton—North.....	.821	.813	38.25	37.14	46.6	45.7	.667	.669	27.21	27.41	40.8	41.0
Electrical manufacturing.....	1.203	1.197	57.78	57.59	48.0	48.1	.798	.794	34.76	34.89	43.6	44.0
Furniture ²	1.022	1.015	51.46	50.99	50.4	50.2	.758	.739	33.03	31.48	43.6	42.6
Hosiery and knit goods.....	1.062	1.053	46.11	45.30	43.4	43.0	.643	.648	25.71	25.93	40.0	40.0
Iron and steel ³	1.127	1.134	48.74	47.49	43.3	41.9	.....	.....	.....	.....	.....	.....
Leather tanning and finishing.....	.895	.888	38.83	38.23	43.4	43.1	.700	.697	28.06	27.71	40.1	39.7
Lumber and millwork.....	1.084	1.072	50.50	49.38	46.6	46.1	.....	.....	.....	.....	.....	.....
Meat packing.....	.930	.925 _r	44.73	43.48 _r	48.1	47.0 _r	.677	.670 _r	28.99	28.13 _r	42.8	42.0 _r
Paint and varnish.....	.968	.966	47.14	47.14	48.7	48.8	.734	.730	30.31	30.59	41.3	41.9
Paper and pulp.....	.906	.901	44.02	43.27	48.6	48.0	.638	.637	26.69	26.28	41.8	41.2
Paper products.....	.932	.928 _r	42.97	43.21 _r	46.1	46.5 _r	.614	.608 _r	25.15	25.15 _r	41.0	41.3 _r
Printing—book and job.....	1.090	1.090	47.16	49.32	43.3	45.2	.605	.597	24.95	24.76	41.2	41.5
Printing—news and magazine.....	1.185	1.165	46.23	45.65	39.0	39.2	.686	.646	26.13	24.75	38.1	38.3
Rubber.....	1.276	1.266	61.88	60.64	48.5	47.9	.809	.803	34.06	33.52	42.1	41.7
1. Rubber tires and tubes.....	1.350	1.333	65.08	63.35	48.2	47.5	.904	.893	38.37	37.06	42.4	41.5
2. Other rubber products.....	1.149	1.150	56.27	55.89	49.0	48.6	.728	.728	30.42	30.53	41.8	41.9
Silk and rayon.....	.819	.802	34.97	33.89	42.7	42.2	.599	.593	23.73	23.83	39.6	40.2
Wool.....	.952	.942	42.31	42.07	44.4	44.7	.763	.760	30.51	30.49	40.0	40.1
1. Woolen and worsted goods.....	.926	.915	41.27	40.36	44.5	44.1	.765	.768	30.78	30.73	40.2	40.0
2. Other woolen products ⁴	.987	.977	43.74	44.47	44.3	45.5	.760	.743	29.97	30.01	39.4	40.4
Foundries and machine shops.....	1.162	1.149	56.74	56.10	48.8	48.8	.838	.826	37.43	36.82	44.7	44.6
1. Foundries.....	1.084	1.069	51.35	50.47	47.4	47.2	.813	.799	33.98	33.34	41.8	41.7
2. Machines and machine tools.....	1.144	1.135	58.58	58.71	51.2	51.7	.785	.785	37.01	36.18	47.1	46.1
3. Heavy equipment ⁵	1.198	1.176	56.84	56.14	47.4	47.7	.839	.811	36.14	35.23	43.1	43.5
4. Hardware and small parts.....	1.136	1.126	56.04	55.08	49.3	48.9	.808	.798	35.19	34.84	43.5	43.7
5. Other products.....	1.171	1.163	57.54	56.78	49.1	48.8	.875	.858	38.92	38.31	44.5	44.6
25 INDUSTRIES.....	\$1.104	\$1.096	\$51.29	\$51.05 _r	46.4	46.5 _r	\$.700	\$.695 _r	\$28.74	\$28.73 _r	40.9	41.2 _r
Cement.....	\$.842	\$.846	\$35.09	\$34.45	41.7	40.7	.....	.....	.....	.....	.....	.....
Petroleum refining.....	1.238	1.228	54.25	52.97	43.8	43.1	.....	.....	.....	.....	.....	.....
27 INDUSTRIES.....	\$1.104	\$1.096	\$51.20	\$50.95 _r	46.3	46.4 _r	.....	.....	.....	.....	.....	.....
Aircraft.....	\$1.161	\$1.137	\$54.03	\$53.20	46.5	46.8	\$.919	\$.904	\$39.07	\$39.12	42.5	43.3
Shipbuilding.....	1.274	1.266 _r	59.49	59.05 _r	46.7	46.6 _r	1.001	.989 _r	44.32	44.25 _r	44.3	44.7

See footnotes on page 352

EARNINGS AND HOURS, UNSKILLED AND SKILLED AND SEMI-SKILLED MALE WAGE EARNERS, JUNE, 1943

NOTE: Hourly earnings are not wage rates, because they include overtime and other monetary compensations

INDUSTRY	UNSKILLED						SKILLED AND SEMI-SKILLED					
	Average Earnings				Average Hours per Week per Wage Earner		Average Earnings				Average Hours per Week per Wage Earner	
	Hourly		Weekly				Hourly		Weekly			
	June	May	June	May	June	May	June	May	June	May	June	May
Agricultural implement.....	\$.902	\$.900	\$42.28	\$42.59	46.9	47.3	\$1.139	\$1.135	\$51.71	\$53.72	45.4	47.3
Automobile ¹	1.118	1.115	50.58	50.02 _r	45.3	44.9	1.399	1.392 _r	64.30	66.94 _r	46.0	48.1
Boot and shoe.....	.457	.456	19.23	18.83	42.1	41.3	.843	.841	33.81	34.96	40.1	41.6
Chemical.....	.932	.913	41.85	42.91	44.9	47.0	1.155	1.150	52.67	55.43	45.6	48.2
Rayon and allied products.....	.754	.738	31.89	30.33	42.3	41.1	1.040	1.028	45.86	44.31	44.1	43.1
Cotton—North.....	.734	.726	33.64	32.53	45.8	44.8	.860	.852	40.38	39.25	47.0	46.1
Electrical manufacturing.....	.870	.875	40.17	40.81	46.2	46.6	1.242	1.234	59.94	59.57	48.3	48.3
Furniture ²	.785	.783	38.21	37.66	48.7	48.1	1.061	1.056	53.76	53.45	50.7	50.6
Hosiery and knit goods.....	.663	.661	28.95	30.08	43.7	45.5	1.099	1.090	47.68	46.63	43.4	42.8
Iron and steel ³	.860	.872	35.64	35.39	41.5	40.6	1.180	1.186	51.48	50.01	43.6	42.2
Leather tanning and finishing.....	.656	.649	27.44	26.68	41.8	41.1	.960	.949	42.07	41.37	43.8	43.6
Lumber and millwork.....	.811	.792	36.23	35.20	44.7	44.4	1.158	1.145	54.57	53.30	47.1	46.5
Meat packing.....	.776	.767 _r	36.86	35.56 _r	47.5	46.4 _r	1.009	1.004 _r	48.85	47.51 _r	48.4	47.3 _r
Paint and varnish.....	.809	.808	36.08	36.44	44.6	45.1	1.034	1.035	52.73	52.79	51.0	51.0
Paper and pulp.....	.760	.761	35.45	35.16	46.7	46.2	.971	.962	48.09	47.06	49.5	48.9
Paper products.....	.734	.727 _r	32.35	32.08 _r	44.1	44.1 _r	1.011	1.005 _r	47.46	47.78 _r	46.9	47.5 _r
Printing—book and job.....	.705	.676	30.23	30.07	42.9	44.5	1.209	1.262	52.45	57.48	43.4	45.6
Printing—news and magazine.....	.740	.740	27.46	27.23	37.1	36.8	1.303	1.274	51.56	50.76	39.6	39.9
Rubber.....	.976	.944	46.65	44.27	47.8	46.9	1.283	1.274	62.26	61.08	48.5	47.9
1 Rubber tires and tubes.....	1.052	1.022	51.13	48.44	48.6	47.4	1.358	1.342	65.45	63.78	48.2	47.5
2. Other rubber products.....	.729	.726	33.03	33.00	45.3	45.4	1.157	1.160	56.75	56.43	49.0	48.7
Wool.....	.778	.763	33.83	33.42	43.5	43.8	1.036	1.028	46.51	46.41	44.9	45.1
1. Woolen and worsted goods.....	.788	.777	33.94	33.59	43.1	43.2	1.016	1.005	46.26	44.94	45.5	44.7
2. Other woolen products ⁴	.754	.730	33.54	33.00	44.5	45.2	1.057	1.053	46.79	48.02	44.3	45.6
Foundries and machine shops.....	.944	.932	45.44	44.78	48.2	48.0	1.199	1.186	58.65	58.09	48.9	49.0
1. Foundries.....	.876	.870	41.05	40.51	46.9	46.6	1.165	1.151	55.45	54.62	47.6	47.5
2. Machines and machine tools.....	1.000	.973	50.62	49.51	50.6	50.9	1.166	1.161	59.81	60.19	51.3	51.9
3. Heavy equipment.....	.950	.936	44.08	44.08	46.4	47.1	1.234	1.213	58.74	58.02	47.6	47.8
4. Hardware and small parts.....	.907	.899	44.78	43.88	49.4	48.8	1.172	1.162	57.81	56.86	49.3	48.9
5. Other products.....	.963	.959	47.14	46.14	48.9	48.1	1.201	1.192	59.02	58.34	49.2	48.9
24 INDUSTRIES ⁵	\$.860	\$.851 _r	\$39.28	\$38.75 _r	45.6	45.4 _r	\$1.163	\$1.156	\$54.28	\$54.18 _r	46.6	46.8 _r
Cement.....	.742	.736	30.22	30.20	40.8	41.0	.857	.862	35.83	35.06	41.8	40.7
Petroleum refining.....	.942	.930	39.70	38.80	42.1	41.7	1.271	1.261	55.97	54.61	44.0	43.3
26 INDUSTRIES ⁵	\$.860	\$.851 _r	\$39.21	\$38.68 _r	45.5	45.3	\$1.163	\$1.156	\$54.16	\$54.03 _r	46.5	46.7 _r
Aircraft.....	\$1.022	\$1.011	\$44.82	\$44.96	43.8	44.5	\$1.169	\$1.143	\$54.55	\$53.64	46.7	46.9
Shipbuilding.....	.983	.979 _r	44.24	44.41 _r	45.0	45.4	1.329	1.322 _r	62.47	62.00 _r	47.0	46.9

NOTE: The wage data here given are for cash payments only and do not take into consideration the value of such wage equivalents as reduced or free house rents or other special services rendered by the company to employees. Various forms of wage equivalents are in use in industrial establishments in many localities, but the part which they play as compensation for work performed cannot be taken into account in a study of this character.

¹Based on data collected by the Automobile Manufacturers Association and THE CONFERENCE BOARD; revised data since January, 1941, available upon request.

²Includes wood, metal, and upholstered household and office furniture.

³Based on data collected by the American Iron and Steel Institute and THE CONFERENCE BOARD.

⁴Principally rugs.

⁵Silk and rayon industry not included, as adequate data for unskilled and skilled groups are not available for this industry.

⁶Beginning with February, 1943, earnings and hours data for female wage earners were also presented. Figures for "all wage earners" and "all male wage earners" previously published are comparable to figures for "all male wage earners" currently shown.

^aIndexes of "real" earnings are based upon THE CONFERENCE BOARD's indexes of the cost of living in the United States on prewar budgets.

^rRevised.

^{n.a.}Not available for publication; included in total indexes.

Cost of Living, United States and 70 Cities, July

A DECLINE of 1.2% in the living costs of wage earners' families in the United States in June brought to an end the steady monthly increases that began in November, 1940. This decline in the cost of living index, based on a wartime budget, was owing to a 2.9% drop in food prices as the cost of housing and fuel and light remained unchanged, while clothing costs rose 0.2% and sundries items were up 0.1%.

The large decline in food costs, the first to occur in thirty-two months, was principally the result of the roll-back in meat prices and the usual seasonal declines in the price of potatoes and other vegetables.

and the average increase in living costs was 0.6% a month. It was not until May, 1943, when the prices of food items constituting over 96% of the family food expenditures were frozen and attempts were begun to roll back prices, that control measures became effective. From May to June, 1943, there was no change in the cost of food and only a 0.1% increase in total living costs. In July, the first recession in over two and a half years occurred. Since January, 1941, the base month for the Little Steel formula, living costs have risen 19.9%. Of this rise, 10.6%, or little more than half, occurred after Pearl Harbor. During

CHANGES IN THE COST OF LIVING ON A WARTIME BUDGET, JULY, 1943

Item	Index Numbers, 1923=100			Percentage Changes	
	July, 1943	June, 1943	July, 1942	June, 1943 to July, 1943	July, 1942 to July, 1943
Food ¹	112.4	115.8 ^r	100.1	-2.9	+12.3
Housing.....	90.8	90.8	90.8	0	0
Clothing.....	88.8	88.6	88.0	+0.2	+0.9
Men's.....	98.4	98.3	97.6	+0.1	+0.8
Women's.....	79.2	78.9	78.4	+0.4	+1.0
Fuel and light ²	92.5	92.5 ^r	90.5	0	+2.2
Electricity.....	67.3	67.3	67.5	0	-0.3
Gas.....	94.9	94.9	94.8	0	+0.1
Sundries.....	107.2	107.1	104.7	+0.1	+2.4
Weighted average of all items.....	103.1	104.3	97.8	-1.2	+5.4
Purchasing value of dollar.....	97.0	95.9	102.2	+1.1	-5.1

^rRevised.

¹Based on THE CONFERENCE BOARD indexes of food prices, July 15, 1942, June 15, 1943 and July 15, 1943.

²Includes fuel as well as electricity and gas.

Another cause may be the government's attempt to control vegetable prices through the establishment of community maximum market prices, although the true effect of this move cannot be accurately determined.

During the seventeen months prior to the General Maximum Price Regulation, enacted in May, 1942, food prices advanced on the average of 1.4% a month, and living costs moved upward at the rate of 0.7% a month. Inasmuch as the original order affected only two-thirds of the food expenditures of moderate-income families, the order did not serve as a sufficient check on rising living costs. The one-third of the food budget not covered by the order, advanced in price so rapidly that the average monthly increase in food costs for the year following the order was 1.3%

and the average increase in living costs was 0.6% a month. It was not until May, 1943, when the prices of food items constituting over 96% of the family food expenditures were frozen and attempts were begun to roll back prices, that control measures became effective. From May to June, 1943, there was no change in the cost of food and only a 0.1% increase in total living costs. In July, the first recession in over two and a half years occurred. Since January, 1941, the base month for the Little Steel formula, living costs have risen 19.9%. Of this rise, 10.6%, or little more than half, occurred after Pearl Harbor. During

these same periods, food costs advanced 42.8% and 21.4%, respectively. In fifty-eight of the sixty-five cities for which indexes are available on a wartime budget, there was a decline in living costs from June to July. In one city, Duluth, there was no change in living costs; and in six, New Orleans, Chattanooga, Macon, Minneapolis, Birmingham and Meadville, living costs continued to rise. The largest decline, 2.3%, occurred in Manchester and the largest increase, 0.8%, occurred in New Orleans. Living costs increased in all cities over the year, July, 1942, to July, 1943. The greatest rise, 8.4%, took place in Newark and the smallest, 2.3%, in Bridgeport.

G. CLARK THOMPSON
Division of Labor Statistics.

COST OF LIVING IN 62 CITIES—WARTIME BUDGETS

Source: THE CONFERENCE BOARD

Index Numbers, January, 1939=100

CITY	Index Numbers Jan., 1939=100			Percentage Changes		CITY	Index Numbers Jan., 1939=100			Percentage Changes	
	July 1943	June 1943	July 1942	June 1943 to July 1943	July 1942 to July 1943		July 1943	June 1943	July 1942	June 1943 to July 1943	July 1942 to July 1943
Akron						Chattanooga					
Food.....	152.6	155.0	139.2	-1.5	+9.6	Food.....	158.8	156.5	133.8	+1.5	+18.7
Housing.....	113.7	113.7	114.1	0	-0.4	Housing.....	103.1	103.1	103.7	0	-0.6
Clothing.....	121.2	121.4	121.0	-0.2	+0.2	Clothing.....	118.5	118.2	118.0	+0.3	+0.4
Fuel and light.....	112.3	112.4	109.8	-0.1	+2.3	Fuel and light.....	90.7	90.7	87.4	0	+3.8
Housefurnishings.....	118.4	118.4	118.4	0	0	Housefurnishings.....	121.5	121.5	121.5	0	0
Sundries.....	115.2	115.2	108.2	0	+6.5	Sundries.....	107.6	107.6	106.4	0	+1.1
Weighted Total.....	126.5	127.3	120.3	-0.6	+5.2	Weighted Total....	123.7	122.9	115.0	+0.7	+7.6
Atlanta						Chicago					
Food.....	150.1	150.6	128.5	-0.3	+16.8	Food.....	138.7	143.9	124.2	-3.6	+11.7
Housing.....	99.2	99.2	99.2	0	0	Housing.....	105.8	105.5	105.5	+0.3	+0.3
Clothing.....	122.5	122.3	123.4	+0.2	-0.7	Clothing.....	124.7	122.6	122.8	+1.7	+1.5
Fuel and light.....	110.5	110.6	106.9	-0.1	+3.4	Fuel and light.....	100.1	100.1	99.7	0	+0.4
Housefurnishings.....	117.1	117.1	117.9	0	-0.7	Housefurnishings.....	124.7	124.7	125.1	0	-0.3
Sundries.....	111.6	111.6 _r	109.6	0	+1.8	Sundries.....	105.9	105.8	104.2	+0.1	+1.6
Weighted Total.....	122.6	122.7 _r	115.2	-0.1	+6.4	Weighted Total....	118.7	120.1	113.1	-1.2	+5.0
Baltimore¹						Cincinnati					
Food.....	151.3	159.8 _r	131.0	-5.3	+15.5	Food.....	145.4	147.6	130.9	-1.5	+11.1
Housing.....	103.2	103.2	104.2	0	-1.0	Housing.....	100.9	100.9	101.5	0	-0.6
Clothing.....	120.1	120.3	119.3	-0.2	+0.7	Clothing.....	129.3	128.1	124.0	+0.9	+4.3
Fuel and light.....	104.9	105.0	102.7	-0.1	+2.1	Fuel and light.....	103.5	103.5	103.5	0	0
Housefurnishings.....	130.9	130.6	129.3	+0.2	+1.2	Housefurnishings.....	124.1	124.1	124.1	0	0
Sundries.....	118.6	118.6 _r	110.1	0	+7.7	Sundries.....	108.2	108.2	106.5	0	+1.6
Weighted Total.....	127.0	129.9 _r	117.6	-2.2	+8.0	Weighted Total....	122.5	123.1	116.6	-0.5	+5.1
Birmingham						Cleveland					
Food.....	155.7	154.7	135.4	+0.6	+15.0	Food.....	143.2	145.7	127.6	-1.7	+12.2
Housing.....	105.7	105.7	105.7	0	0	Housing.....	109.7	109.7	109.3	0	+0.4
Clothing.....	124.4	123.6	124.7	+0.6	-0.2	Clothing.....	127.2	126.9	127.1	+0.2	+0.1
Fuel and light.....	100.5	100.5	97.9	0	+2.7	Fuel and light.....	102.3	102.4	101.6	-0.1	+0.7
Housefurnishings.....	117.8	117.8	117.8	0	0	Housefurnishings.....	118.4	118.2	118.2	+0.2	+0.2
Sundries.....	110.9	110.7	109.2	+0.2	+1.6	Sundries.....	114.5	114.5	109.6	0	+4.5
Weighted Total.....	124.1	123.6	117.6	+0.4	+5.5	Weighted Total....	123.1	123.8	116.8	-0.6	+5.4
Boston						Dallas					
Food.....	139.1	145.7	126.1	-4.5	+10.3	Food.....	147.2	148.1	130.2	-0.6	+13.1
Housing.....	103.4	103.6	103.7	-0.2	-0.3	Housing.....	105.6	105.6	104.2	0	+1.3
Clothing.....	124.8	124.8	125.1	0	-0.2	Clothing.....	122.7	122.6	122.6	+0.1	+0.1
Fuel and light.....	120.7	120.7	120.7	0	0	Fuel and light.....	93.3	93.3	93.3	0	0
Housefurnishings.....	122.5	122.5	122.3	0	+0.2	Housefurnishings.....	127.9	127.9	127.9	0	0
Sundries.....	111.7	111.7	110.2	0	+1.4	Sundries.....	111.8	111.6	108.9	+0.2	+2.7
Weighted Total.....	122.2	124.7	117.4	-2.0	+4.1	Weighted Total....	121.8	122.0	115.8	-0.2	+5.2
Bridgeport						Dayton					
Food.....	139.1	147.6	131.1	-5.8	+6.1	Food.....	147.2	149.3	128.8	-1.4	+14.3
Housing.....	106.5	106.5	106.9	0	-0.4	Housing.....	105.1	105.1	105.1	0	0
Clothing.....	124.9	124.2	120.4	+0.6	+3.7	Clothing.....	122.2	121.7	121.4	+0.4	+0.7
Fuel and light.....	115.6	115.6	116.9	0	-1.1	Fuel and light.....	103.7	103.7	102.2	0	+1.5
Housefurnishings.....	126.4	126.4	126.4	0	0	Housefurnishings.....	127.9	127.5	127.5	+0.3	+0.3
Sundries.....	115.3	115.2	115.7	+0.1	-0.3	Sundries.....	109.5	109.3	106.3	+0.2	+3.0
Weighted Total.....	122.7	125.5	119.9	-2.2	+2.3	Weighted Total....	122.6	123.1	115.6	-0.4	+6.1
Buffalo						Denver					
Food.....	148.2	152.0	131.6	-2.5	+12.6	Food.....	146.2	149.8	129.5	-2.4	+12.9
Housing.....	114.7	114.7	114.7	0	0	Housing.....	105.6	105.6	105.6	0	0
Clothing.....	118.2	118.2	117.8	0	+0.3	Clothing.....	121.8	121.2	120.6	+0.5	+1.0
Fuel and light.....	106.0	106.0	102.8	0	+3.1	Fuel and light.....	98.3	97.5	96.5	+0.8	+1.9
Housefurnishings.....	126.1	126.1	124.1	0	+1.6	Housefurnishings.....	123.0	122.6	122.5	+0.3	+0.4
Sundries.....	109.4	109.4	108.3	0	+1.0	Sundries.....	112.8	111.2	108.3	+1.4	+4.2
Weighted Total.....	124.1	125.3	118.1	-1.0	+5.1	Weighted Total....	122.4	123.0	115.5	-0.5	+6.0

^rRevised¹Revised data for May are: food 160.3; weighted total, 128.0

COST OF LIVING IN 62 CITIES—WARTIME BUDGETS (Continued)

Source: THE CONFERENCE BOARD

Index Numbers, January, 1939=100

CITY	Index Numbers Jan., 1939=100			Percentage Changes		CITY	Index Numbers Jan., 1939=100			Percentage Changes	
	July 1943	June 1943	July 1942	June 1943 to July 1943	July 1942 to July 1943		July 1943	June 1943	July 1942	June 1943 to July 1943	July 1942 to July 1943
Des Moines						Houston					
Food.....	143.4	150.6	131.2	-4.8	+9.3	Food.....	140.7	142.6	130.7	-1.3	+7.7
Housing.....	105.3	105.3	105.5	0	-0.2	Housing.....	105.7	105.7	105.7	0	0
Clothing.....	126.8	126.3	125.8	+0.4	+0.8	Clothing.....	124.6	124.2	125.0	+0.3	-0.3
Fuel and light.....	110.1	110.1	108.5	0	+1.5	Fuel and light.....	90.2	90.2	90.2	0	0
Housefurnishings.....	123.8	123.8	124.1	0	-0.2	Housefurnishings.....	114.7	114.7	115.4	0	-0.6
Sundries.....	111.1	111.1	109.6	0	+1.4	Sundries.....	109.3	109.3	108.3	0	+0.9
Weighted Total.....	121.1	123.2	116.9	-1.7	+3.6	Weighted Total.....	118.7	119.2	115.5	-0.4	+2.8
Detroit						Huntington, W. Va.					
Food.....	139.2	142.6	127.3	-2.4	+9.3	Food.....	150.1	153.2	131.1	-2.0	+14.5
Housing.....	107.0	107.0	107.0	0	0	Housing.....	111.7	111.7	111.7	0	0
Clothing.....	117.7	117.6	116.6	+0.1	+0.9	Clothing.....	118.8	118.4	118.8	+0.3	0
Fuel and light.....	113.5	113.5	109.7	0	+3.5	Fuel and light.....	100.0	100.0	100.0	0	0
Housefurnishings.....	133.1	133.1	132.9	0	+0.2	Housefurnishings.....	125.6	125.2	122.7	+0.3	+2.4
Sundries.....	104.8	103.7	101.8	+1.1	+2.9	Sundries.....	111.0	110.9	112.0	+0.1	-0.9
Weighted Total.....	119.2	120.0	114.2	-0.7	+4.4	Weighted Total.....	124.7	125.6	118.7	-0.7	+5.1
Duluth						Indianapolis					
Food.....	146.4	147.4	128.8	-0.7	+13.7	Food.....	142.4	150.6	133.8	-5.4	+6.4
Housing.....	100.1	100.1	100.5	0	-0.4	Housing.....	107.9	107.9	108.6	0	-0.6
Clothing.....	125.7	125.0	123.9	+0.6	+1.5	Clothing.....	120.6	120.3	119.2	+0.2	+1.2
Fuel and light.....	105.3	105.3	98.7	0	+6.7	Fuel and light.....	108.2	108.2	102.8	0	+5.3
Housefurnishings.....	137.7	129.7	129.1	+6.2	+6.7	Housefurnishings.....	124.7	124.7	124.5	0	+0.2
Sundries.....	110.6	110.6	108.8	0	+1.7	Sundries.....	112.3	112.3	111.0	0	+1.2
Weighted Total.....	123.0	123.0	115.5	0	+6.5	Weighted Total.....	121.9	124.5	118.4	-2.1	+3.0
Erie, Pa.						Kansas City, Mo.					
Food.....	158.4	159.1	140.9	-0.4	+12.4	Food.....	134.6	139.4	124.6	-3.4	+8.0
Housing.....	109.9	109.9	109.9	0	0	Housing.....	105.2	105.2	105.2	0	0
Clothing.....	134.2	134.1	131.3	+0.1	+2.2	Clothing.....	123.1	121.5	121.5	+1.3	+1.3
Fuel and light.....	109.7	109.7	107.1	0	+2.4	Fuel and light.....	108.7	108.8	106.6	-0.1	+2.0
Housefurnishings.....	129.8	129.8	129.8	0	0	Housefurnishings.....	120.9	120.9	120.9	0	0
Sundries.....	118.6	118.7	117.3	-0.1	+1.1	Sundries.....	113.7	113.7	110.2	0	+3.2
Weighted Total.....	131.1	131.3	124.3	-0.2	+5.5	Weighted Total.....	119.3	120.6	114.9	-1.1	+3.8
Fall River						Lansing					
Food.....	141.2	149.2	131.3	-5.4	+7.5	Food.....	170.2	172.0	144.3	-1.0	+17.9
Housing.....	104.3	104.3	104.3	0	0	Housing.....	98.0	98.0	98.0	0	0
Clothing.....	119.5	118.8	118.3	+0.6	+1.0	Clothing.....	124.4	123.5	123.2	+0.7	+1.0
Fuel and light.....	115.5	115.5	115.3	0	+0.2	Fuel and light.....	102.1	101.6	98.7	+0.5	+3.4
Housefurnishings.....	114.3	114.3	114.3	0	0	Housefurnishings.....	133.0	130.3	129.3	+2.1	+2.9
Sundries.....	116.0	116.0	116.4	0	-0.3	Sundries.....	118.2	117.9	114.8	+0.3	+3.0
Weighted Total.....	122.9	125.6	119.4	-2.1	+2.9	Weighted Total.....	129.2	129.5	120.0	-0.2	+7.7
Front Royal, Va.						Los Angeles					
Food.....	163.0	166.8	143.3	-2.3	+13.7	Food.....	147.1	153.5	133.1	-4.2	+10.5
Housing.....	103.6	103.6	101.0	0	+2.6	Housing.....	104.6	104.6	104.2	0	+0.4
Clothing.....	129.1	127.8	122.2	+1.0	+5.6	Clothing.....	118.4	118.5	117.5	-0.1	+0.8
Fuel and light.....	103.9	103.9	103.5	0	+0.4	Fuel and light.....	96.2	96.2	96.2	0	0
Housefurnishings.....	135.2	135.2	126.9	0	+6.5	Housefurnishings.....	123.9	123.8	123.8	+0.1	+0.1
Sundries.....	110.8	110.8	107.9	0	+2.7	Sundries.....	110.1	110.1	104.3	0	+5.6
Weighted Total.....	125.4	126.3	117.5	-0.7	+6.7	Weighted Total.....	121.1	123.2	115.0	-1.7	+5.3
Grand Rapids						Louisville					
Food.....	152.6	156.4	131.2	-2.4	+16.3	Food.....	147.4	150.4	130.5	-2.0	+13.0
Housing.....	106.5	106.5	106.6	0	-0.1	Housing.....	103.9	103.9	104.9	0	-1.0
Clothing.....	123.3	122.3	120.6	+0.8	+2.2	Clothing.....	119.2	119.4	119.1	-0.2	+0.1
Fuel and light.....	108.8	108.8	106.7	0	+2.0	Fuel and light.....	110.5	110.3	108.0	+0.2	+2.3
Housefurnishings.....	133.5	132.7	131.4	+0.6	+1.6	Housefurnishings.....	127.7	127.7	127.6	0	+0.1
Sundries.....	116.0	116.0	113.7	0	+2.0	Sundries.....	107.8	107.8	107.1	0	+0.7
Weighted Total.....	126.3	127.3	118.7	-0.8	+6.4	Weighted Total.....	123.2	124.2	117.1	-0.8	+5.2

rRevised

COST OF LIVING IN 62 CITIES—WARTIME BUDGETS (Continued)

Source: THE CONFERENCE BOARD

Index Numbers, January, 1939=100

CITY	Index Numbers Jan., 1939=100			Percentage Changes		CITY	Index Numbers Jan., 1939=100			Percentage Changes	
	July 1943	June 1943	July 1942	June 1943 to July 1943	July 1942 to July 1943		July 1943	June 1943	July 1942	June 1943 to July 1943	July 1942 to July 1943
Lynn						Muskegon					
Food.....	142.4	147.9	126.8	-3.7	+12.3	Food.....	162.6	168.7	144.6	-3.6	+12.4
Housing.....	104.5	104.5	104.1	0	+0.4	Housing.....	115.2	115.2	115.2	0	0
Clothing.....	123.5	123.2	120.9	+0.2	+2.2	Clothing.....	122.7	122.6	120.3	+0.1	+2.0
Fuel and light.....	116.0	116.0	115.3	0	+0.6	Fuel and light.....	112.5	112.5	110.7	0	+1.6
Housefurnishings.....	125.6	125.6	125.6	0	0	Housefurnishings.....	118.8	118.8	118.7	0	+0.1
Sundries.....	111.0	111.0	109.9	0	+1.0	Sundries.....	111.3	111.3	108.8	0	+2.3
Weighted Total.....	123.3	125.2	117.0	-1.5	+5.4	Weighted Total.....	123.3	130.1	121.9	-1.4	+5.3
Macon						Newark					
Food.....	157.5	155.7 _r	134.9	+1.2	+16.8	Food.....	151.2	152.6	124.7	-0.9	+21.3
Housing.....	115.9	115.9	117.0	0	-0.9	Housing.....	101.4	101.4	101.4	0	0
Clothing.....	118.3	117.3	116.5	+0.9	+1.5	Clothing.....	120.9	120.0	120.3	+0.8	+0.5
Fuel and light.....	100.5	100.5	99.3	0	+1.2	Fuel and light.....	104.6	104.6	101.3	0	+3.3
Housefurnishings.....	129.1	129.1	129.3	0	-0.2	Housefurnishings.....	129.5	129.4	129.0	+0.1	+0.4
Sundries.....	115.4	115.3 _r	108.7	+0.1	+6.2	Sundries.....	106.2	106.3	105.2	-0.1	+1.0
Weighted Total.....	128.6	127.8 _r	118.7	+0.6	+8.3	Weighted Total.....	122.4	122.8	112.9	-0.3	+8.4
Manchester, N. H.						New Haven					
Food.....	145.7	154.0	130.2	-5.4	+11.9	Food.....	137.0	143.5	127.6	-4.5	+7.4
Housing.....	102.9	102.9	103.0	0	-0.1	Housing.....	105.3	105.3	105.3	0	0
Clothing.....	119.2	119.1	119.2	+0.1	0	Clothing.....	119.8	119.5	120.0	+0.3	-0.2
Fuel and light.....	109.5	109.6	105.5	-0.1	+3.8	Fuel and light.....	109.7	109.7	112.1	0	-2.1
Housefurnishings.....	125.2	125.2	123.8	0	+1.1	Housefurnishings.....	124.4	124.4	124.9	0	-0.4
Sundries.....	107.1	107.0	107.1	+0.1	0	Sundries.....	107.0	106.8 _r	106.5	+0.2	+0.5
Weighted Total.....	123.1	126.0	117.0	-2.3	+5.2	Weighted Total.....	118.3	120.3 _r	115.4	-1.7	+2.5
Meadville, Pa.						New Orleans					
Food.....	152.7	152.3	135.3	+0.3	+12.9	Food.....	150.8	148.3 _r	138.2	+1.7	+9.1
Housing.....	110.8	110.8	110.8	0	0	Housing.....	110.6	110.6	110.8	0	-0.2
Clothing.....	116.7	116.5	115.9	+0.2	+0.7	Clothing.....	121.1	121.0	119.2	+0.1	+1.6
Fuel and light.....	110.2	110.2	106.2	0	+3.8	Fuel and light.....	103.2	103.2	103.2	0	0
Housefurnishings.....	131.1	130.2	125.0	+0.7	+4.9	Housefurnishings.....	128.3	128.3	128.0	0	+0.2
Sundries.....	120.1	120.1	113.1	0	+6.2	Sundries.....	105.9	105.9 _r	103.9	0	+1.9
Weighted Total.....	127.2	127.0	119.4	+0.2	+6.5	Weighted Total.....	126.1	125.1 _r	120.5	+0.8	+4.6
Memphis						New York					
Food.....	162.9	164.4	139.2	-0.9	+17.0	Food.....	147.0	151.7	128.8	-3.1	+14.1
Housing.....	109.4	109.4	109.4	0	0	Housing.....	100.8	100.8	100.7	0	+0.1
Clothing.....	128.4	128.0	128.1	+0.3	+0.2	Clothing.....	114.2	114.2	113.0	0	+1.1
Fuel and light.....	102.0	102.0	100.1	0	+1.9	Fuel and light.....	110.8	110.8	106.7	0	+3.8
Housefurnishings.....	128.6	128.6	127.4	0	+0.9	Housefurnishings.....	128.6	127.7	127.3	+0.7	+1.0
Sundries.....	105.8	105.8	105.3	0	+0.5	Sundries.....	107.3	107.3	105.3	0	+1.9
Weighted Total.....	126.3	126.7	119.0	-0.3	+6.1	Weighted Total.....	121.7	123.4	114.3	-1.4	+6.5
Milwaukee						Oakland					
Food.....	143.2	149.0	129.2	-3.9	+10.8	Food.....	154.0	156.0	133.9	-1.3	+15.0
Housing.....	103.3	103.3	103.4	0	-0.1	Housing.....	131.5	131.5	131.5	0	0
Clothing.....	127.8	127.7	124.7	+0.1	+2.5	Clothing.....	125.3	124.3	122.0	+0.8	+2.7
Fuel and light.....	107.6	107.6	104.1	0	+3.4	Fuel and light.....	78.0	78.0	84.9	0	-8.1
Housefurnishings.....	125.5	125.5	125.1	0	+0.3	Housefurnishings.....	119.3	119.4	119.4	-0.1	-0.1
Sundries.....	112.6	112.6	109.7	0	+2.6	Sundries.....	103.0	103.0	101.2	0	+1.8
Weighted Total.....	122.1	123.9	116.3	-1.5	+5.0	Weighted Total.....	126.6	127.1	119.3	-0.4	+6.1
Minneapolis						Omaha					
Food.....	150.2	148.8	127.8	+0.9	+17.5	Food.....	147.6	152.4	133.0	-3.1	+11.0
Housing.....	103.7	103.7	103.6	0	+0.1	Housing.....	100.6	100.6	100.6	0	0
Clothing.....	127.0	125.3	124.0	+1.4	+2.4	Clothing.....	120.7	120.2	120.9	+0.4	-0.2
Fuel and light.....	102.6	102.6	100.0	0	+2.6	Fuel and light.....	105.5	105.1	103.3	+0.4	+2.1
Housefurnishings.....	122.2	122.1	122.2	+0.1	0	Housefurnishings.....	136.6	131.2	132.2	+4.1	+3.3
Sundries.....	112.7	112.7	111.0	0	+1.5	Sundries.....	111.9	111.9	110.9	0	+0.9
Weighted Total.....	123.8	123.2	115.7	+0.5	+7.0	Weighted Total.....	122.0	123.2	116.8	-1.0	+4.5

_rRevised.

COST OF LIVING IN 62 CITIES—WARTIME BUDGETS (Continued)

Source: THE CONFERENCE BOARD

Index Numbers, January, 1939=100

CITY	Index Numbers Jan., 1939=100			Percentage Changes		CITY	Index Numbers Jan., 1939=100			Percentage Changes	
	July 1943	June 1943	July 1942	June 1943 to July 1943	July 1942 to July 1943		July 1943	June 1943	July 1942	June 1943 to July 1943	July 1942 to July 1943
Parkersburg, W. Va.						Rochester					
Food.....	146.7	151.0	132.7	-2.8	+10.6	Food.....	148.9	151.0	133.0	-1.4	+12.0
Housing.....	104.2	104.2	104.2	0	0	Housing.....	103.9	103.9	103.9	0	0
Clothing.....	123.7	123.7	123.7	0	0	Clothing.....	128.1	127.8	127.0	+0.2	+0.9
Fuel and light.....	94.6	94.6	94.6	0	0	Fuel and light.....	112.2	112.2	111.2	0	+0.9
Housefurnishings.....	125.0	125.0	123.9	0	+0.9	Housefurnishings.....	136.1	136.1	135.1	0	+0.7
Sundries.....	109.5	109.5	109.6	0	-0.1	Sundries.....	121.9	121.9	118.6	0	+2.8
Weighted Total.....	123.7	125.3	118.5	-1.3	+4.4	Weighted Total.....	126.4	127.0	120.5	-0.5	+4.9
Philadelphia						Rockford, Ill.¹					
Food.....	143.3	149.7 ^r	134.5	-4.3	+6.5	Food.....	145.4	152.3 ^r	126.0	-4.5	+15.4
Housing.....	102.9	102.9	102.9	0	0	Housing.....	138.0	138.0	138.0	0	0
Clothing.....	123.2	122.4	121.4	+0.7	+1.5	Clothing.....	121.0	120.5	120.2	+0.4	+0.7
Fuel and light.....	106.5	106.5	103.2	0	+3.2	Fuel and light.....	111.3	111.3	110.1	0	+1.1
Housefurnishings.....	121.1	121.1	119.1	0	+1.7	Housefurnishings.....	131.3	131.3	132.8	0	-1.1
Sundries.....	110.9	110.8 ^r	109.8	+0.1	+1.0	Sundries.....	112.5	112.5	110.7	0	+1.6
Weighted Total.....	122.8	125.0 ^r	118.7	-1.8	+3.5	Weighted Total.....	129.3	131.4 ^r	122.4	-1.6	+5.6
Pittsburgh						Sacramento					
Food.....	146.0	151.5	129.3	-3.6	+12.9	Food.....	150.2	154.3	132.1	-2.7	+13.7
Housing.....	105.7	105.7	106.6	0	-0.8	Housing.....	104.1	104.1	104.1	0	0
Clothing.....	124.5	124.5	124.2	0	+0.2	Clothing.....	122.2	121.7	119.1	+0.4	+2.6
Fuel and light.....	110.3	110.3	108.8	0	+1.4	Fuel and light.....	80.8	80.8	84.7	0	-4.6
Housefurnishings.....	117.2	117.2	117.1	0	+0.1	Housefurnishings.....	134.7	134.7	125.8	0	+7.1
Sundries.....	111.3	111.3	111.0	0	+0.3	Sundries.....	112.7	112.6	108.5	+0.1	+3.9
Weighted Total.....	123.3	125.1	117.7	-1.4	+4.8	Weighted Total.....	123.2	124.4	115.7	-1.0	+6.5
Portland, Ore.						St. Louis					
Food.....	144.4	147.9	134.2	-2.4	+7.6	Food.....	149.7	152.0	130.3	-1.5	+14.9
Housing.....	110.0	110.0	110.7	0	-0.6	Housing.....	106.0	106.0	106.0	0	0
Clothing.....	128.1	127.4	127.3	+0.5	+0.6	Clothing.....	123.1	122.4	122.0	+0.6	+0.9
Fuel and light.....	124.9	124.9	116.4	0	+7.3	Fuel and light.....	110.2	110.0	107.9	+0.2	+2.1
Housefurnishings.....	119.0	119.0	119.0	0	0	Housefurnishings.....	118.1	118.1	118.3	0	-0.2
Sundries.....	112.0	112.0	108.8	0	+2.9	Sundries.....	107.7	107.6	106.3	+0.1	+1.3
Weighted Total.....	124.3	125.3	119.6	-0.8	+3.9	Weighted Total.....	123.8	124.4	116.4	-0.5	+6.4
Providence						St. Paul					
Food.....	141.5	148.8	128.4	-4.9	+10.2	Food.....	144.7	145.9	126.2	-0.8	+14.7
Housing.....	103.3	103.3	103.3	0	0	Housing.....	100.9	100.9	100.9	0	0
Clothing.....	118.7	118.1	117.0	+0.5	+1.5	Clothing.....	119.5	119.4	119.5	+0.1	0
Fuel and light.....	113.6	113.6	116.5	0	-2.5	Fuel and light.....	104.0	104.0	100.6	0	+3.4
Housefurnishings.....	125.3	125.3	125.3	0	0	Housefurnishings.....	125.7	125.6	124.0	+0.1	+1.4
Sundries.....	116.3	112.0	109.7	+3.8	+6.0	Sundries.....	112.5	112.5	110.4	0	+1.9
Weighted Total.....	122.2	123.3	116.2	-0.9	+5.2	Weighted Total.....	121.1	121.5	114.2	-0.3	+6.0
Richmond						San Francisco					
Food.....	152.7	158.0	136.1	-3.4	+12.2	Food.....	160.5	168.0	143.9	-4.5	+11.5
Housing.....	102.7	102.7	102.7	0	0	Housing.....	98.3	98.3	98.3	0	0
Clothing.....	118.4	118.5	119.4	-0.1	-0.8	Clothing.....	123.2	121.7	119.4	+1.2	+3.2
Fuel and light.....	105.2	105.2	103.9	0	+1.3	Fuel and light.....	79.2	79.2	84.9	0	-6.7
Housefurnishings.....	120.5	120.5	120.5	0	0	Housefurnishings.....	119.6	119.6	119.3	0	+0.3
Sundries.....	107.0	107.0	107.5	0	-0.5	Sundries.....	105.0	105.0	102.1	0	+2.8
Weighted Total.....	121.4	123.0	116.6	-1.3	+4.1	Weighted Total.....	123.4	125.6	116.9	-1.8	+5.6
Roanoke, Va.						Seattle					
Food.....	153.3	156.7	137.7	-2.2	+11.3	Food.....	152.5	156.8	138.1	-2.7	+10.4
Housing.....	119.2	119.2	121.4	0	-1.8	Housing.....	114.3	114.3	114.5	0	-0.2
Clothing.....	113.8	113.4	114.0	+0.4	-0.2	Clothing.....	119.2	118.6	118.4	+0.5	+0.7
Fuel and light.....	104.1	104.1	99.7	0	+4.4	Fuel and light.....	112.2	112.2 ^r	109.2	0	+2.7
Housefurnishings.....	121.9	121.9	121.9	0	0	Housefurnishings.....	120.6	119.9	120.1	+0.6	+0.4
Sundries.....	112.0	112.0	112.4	0	-0.4	Sundries.....	108.9	108.9	106.3	0	+2.4
Weighted Total.....	125.7	126.7	121.0	-0.8	+3.9	Weighted Total.....	125.5	126.8	119.7	-1.0	+4.8

^rRevised¹Revised data for May are: food 153.3; sundries, 112.4; weighted total, 131.7.

COST OF LIVING IN 62 CITIES—WARTIME BUDGETS (Continued)

Source: THE CONFERENCE BOARD

Index Numbers, January, 1939=100

CITY	Index Numbers Jan., 1939=100			Percentage Changes		CITY	Index Numbers Jan., 1939=100			Percentage Changes	
	July 1943	June 1943	July 1942	June 1943 to July 1943	July 1942 to July 1943		July 1943	June 1943	July 1942	June 1943 to July 1943	July 1942 to July 1943
Spokane						Wausau, Wis.					
Food.....	142.1	149.7	126.3	-5.1	+12.5	Food.....	155.3	157.0	135.7	-1.1	+14.4
Housing.....	102.0	102.0	102.2	0	-0.2	Housing.....	102.7	102.7	102.7	0	0
Clothing.....	121.2	121.2	121.4	0	-0.2	Clothing.....	125.0	125.0	122.5	0	+2.0
Fuel and light.....	132.3	132.3	130.7	0	+1.2	Fuel and light.....	105.1	104.6	102.0	+0.5	+3.0
Housefurnishings.....	132.3	132.3	132.3	0	0	Housefurnishings.....	123.9	123.6	123.6	+0.2	+0.2
Sundries.....	109.8	109.8	107.5	0	+2.1	Sundries.....	103.8	103.8	103.2	0	+0.6
Weighted Total.....	123.3	125.8	117.2	-2.0	+5.2	Weighted Total....	125.3	125.8	117.6	-0.4	+6.5
Syracuse						Wilmington, Del.					
Food.....	149.9	156.8	137.7	-4.4	+8.9	Food.....	146.7	150.8 ^r	138.1	-2.7	+6.2
Housing.....	116.2	116.2	114.5	0	+1.5	Housing.....	104.0	104.0	104.0	0	0
Clothing.....	127.2	125.8	124.9	+1.1	+1.8	Clothing.....	124.8	124.6	124.5	+0.2	+0.2
Fuel and light.....	109.0	109.0	107.8	0	+1.1	Fuel and light.....	103.3	103.3	103.2	0	+0.1
Housefurnishings.....	128.9	127.4	125.2	+1.2	+3.0	Housefurnishings.....	115.4	115.4	115.0	0	+0.3
Sundries.....	112.6	112.6	108.9	0	+3.4	Sundries.....	110.0	110.0	108.9	0	+1.0
Weighted Total.....	126.1	128.0	120.6	-1.5	+4.6	Weighted Total....	123.5	124.9 ^r	120.2	-1.1	+2.7
Toledo						Youngstown					
Food.....	144.3	148.7	131.2	-3.0	+10.0	Food.....	155.0	163.6	135.9	-5.3	+14.1
Housing.....	109.4	109.3	108.2	+0.1	+1.1	Housing.....	105.3	105.3	105.9	0	-0.6
Clothing.....	122.9	123.1	122.8	-0.2	+0.1	Clothing.....	126.6	125.9	123.9	+0.6	+2.2
Fuel and light.....	106.4	106.4	104.9	0	+1.4	Fuel and light.....	106.3	106.7	105.7	-0.4	+0.6
Housefurnishings.....	122.2	122.2	120.2	0	+1.7	Housefurnishings.....	131.8	131.8	132.8	0	-0.8
Sundries.....	111.0	111.0	109.5	0	+1.4	Sundries.....	107.4	107.4	106.9	0	+0.5
Weighted Total.....	122.3	123.7	117.6	-1.1	+4.0	Weighted Total....	125.1	127.7	118.8	-2.0	+5.3

COST OF LIVING IN 3 CITIES—WARTIME BUDGETS¹

CITY	June 1943 to July 1943	July 1942 to July 1943	CITY	June 1943 to July 1943	July 1942 to July 1943	CITY	June 1943 to July 1943	July 1942 to July 1943
	Percentage Changes			Percentage Changes			Percentage Changes	
Evansville, Ind.	Percentage Changes		Lewistown, Pa.	Percentage Changes		Trenton, N. J.	Percentage Changes	
Food.....	-3.0	+15.4	Food.....	-2.3	+12.2	Food.....	-3.1	+10.1
Housing.....	0	-0.7	Housing.....	0	0	Housing.....	0	+0.5
Clothing.....	-0.1	0	Clothing.....	-0.1	+2.5	Clothing.....	+0.4	-0.9
Fuel and light.....	0	+2.6	Fuel and light.....	0	+2.7	Fuel and light.....	0	+2.3
Housefurnishings.....	+0.6	+1.3	Housefurnishings.....	0	+0.3	Housefurnishings.....	0	+1.3
Sundries.....	0	+0.7	Sundries.....	0	+1.0	Sundries.....	0	+1.4
Weighted Total....	-1.2	+5.7	Weighted Total....	-1.0	+5.7	Weighted Total....	-1.3	+4.5

¹Data on wartime budgets for earlier months available upon request. Data for Anderson, Flint, Green Bay, Joliet, and Saginaw not yet available on the wartime budget basis. They will be published in subsequent months.

^rRevised.

COST OF LIVING IN 62 CITIES—PREWAR BUDGETS

Source: THE CONFERENCE BOARD

Index Numbers, January, 1939=100

	Weighted Total		Food		Housing		Clothing		Fuel-Light		House Furnishings		Sundries	
	July 1943	June 1943	July 1943	June 1943	July 1943	June 1943	July 1943	June 1943	July 1943	June 1943	July 1943	June 1943	July 1943	June 1943
United States ¹	102.8	103.9 _r	112.0	115.5 _r	90.8	90.8	88.8	88.6	93.1	93.1	<i>a</i>	<i>a</i>	107.6	107.5
Akron.....	127.4	128.1	152.9	155.5	113.7	113.7	121.2	121.4	112.3	112.4	118.4	118.4	117.9	117.6
Atlanta.....	122.1	122.2 _r	148.3	148.9	99.2	99.2	122.5	122.3	110.5	110.6	117.1	117.1	112.8	112.6 _r
Baltimore.....	126.4	129.4 _r	147.9	156.9 _r	103.2	103.2	120.1	120.3	104.9	105.0	130.8	130.6	121.2	121.0 _r
Birmingham.....	124.8	124.3	154.5	153.4	105.7	105.7	124.4	123.6	101.1	101.1	117.8	117.8	113.3	113.0
Boston.....	122.0	124.5	138.1	144.8	103.4	103.6	124.8	124.7	120.9	120.9	122.5	122.5	112.1	112.0
Bridgeport.....	122.8	125.6	137.7	146.6	106.5	106.5	124.9	124.1	115.9	115.9	126.4	126.4	117.2	117.0
Buffalo.....	124.2	125.4	148.0	152.2	114.7	114.7	118.2	118.2	105.9	105.9	126.1	126.1	110.2	110.0
Chattanooga.....	124.0	123.7	159.3	158.8	103.1	103.1	118.5	118.2	90.7	90.7	121.5	121.5	109.9	109.7
Chicago.....	118.4	119.9	138.7	144.1	105.8	105.5	124.7	122.6	100.3	100.2	124.7	124.7	104.9	104.8
Cincinnati.....	122.8	123.6	145.0	148.0	100.9	100.9	129.3	128.1	103.5	103.5	124.1	124.1	111.1	110.8
Cleveland.....	123.4	124.1	142.9	145.4	109.7	109.7	127.2	126.9	102.3	102.4	118.4	118.2	116.4	116.2
Dallas.....	122.2	122.3 _r	146.4	147.4	105.6	105.6	122.7	122.6	93.3	93.3	127.9	127.9	115.3	114.7 _r
Dayton.....	123.0	123.5	146.9	149.4	105.1	105.1	122.2	121.7	103.7	103.7	127.8	127.5	112.3	111.9
Denver.....	122.9	123.3	145.6	149.6	105.6	105.6	121.8	121.2	98.3	97.5	122.8	122.5	115.6	113.1
Des Moines.....	122.0	123.7	142.9	150.2	105.3	105.3	126.8	126.3	110.1	110.1	123.8	123.8	114.2	113.9
Detroit.....	119.9	120.6	142.5	145.8	107.0	107.0	117.7	117.6	113.5	113.5	133.1	133.1	105.0	104.0
Duluth.....	123.6	123.6	146.2	147.5	100.1	100.1	125.7	125.0	105.3	105.3	135.4	129.7	113.9	113.6
Eric.....	131.8	131.9	159.8	160.3	109.9	109.9	134.2	134.1	109.7	109.7	129.8	129.8	121.0	120.8
Fall River.....	122.9	125.5	140.3	148.5	104.3	104.3	119.5	118.8	115.3	115.3	114.3	114.3	117.7	117.6
Front Royal, Va.....	125.6	126.6	161.8	166.3	103.6	103.6	129.1	127.8	103.9	103.9	132.3	132.3	113.6	113.4
Grand Rapids.....	127.7	127.9	153.9	155.6	106.5	106.5	123.3	123.3	108.8	108.8	133.5	132.7	119.9	119.5
Houston.....	120.0	120.2	141.7	143.4	105.7	105.7	124.6	124.2	90.2	90.2	114.7	114.7	113.4	113.0
Huntington, W. Va.....	124.9	125.8	149.1	152.7	111.7	111.7	118.8	118.4	100.0	100.0	125.6	125.2	113.7	113.2
Indianapolis.....	123.0	125.3	142.6	151.1	107.9	107.9	120.6	120.3	108.2	108.2	124.7	124.7	116.6	116.2
Kansas City, Mo.....	120.0	121.1	134.1	139.2	105.2	105.2	123.1	121.5	108.7	108.8	120.9	120.9	116.0	115.6
Lansing.....	129.8	129.9	171.0	172.7	98.0	98.0	124.4	123.5	102.1	101.6	131.9	130.0	121.4	120.9
Los Angeles.....	121.1	123.2	147.0	154.6	104.6	104.6	118.4	118.5	96.2	96.2	123.9	123.8	110.1	109.8
Louisville.....	123.4	124.5	146.8	150.4	103.9	103.9	119.2	119.4	110.5	110.3	127.7	127.7	110.0	109.8
Lynn.....	123.1	125.1	141.4	147.2	104.5	104.5	123.5	123.3	116.1	116.1	125.6	125.6	112.1	112.0
Macon.....	129.6	129.0 _r	155.3	154.0	115.9	115.9	118.3	117.3	100.5	100.5	129.2	129.2	120.9	120.7 _r
Manchester, N. H.....	122.3	125.2	144.6	152.7	102.9	102.9	119.2	119.2	109.5	109.6	124.5	124.5	106.3	106.1
Meadville, Pa.....	127.0	127.0	151.8	152.1	110.8	110.8	116.7	116.5	110.2	110.2	130.6	129.8	120.6	120.5
Memphis.....	126.3	126.7	160.8	162.4	109.4	109.4	128.4	128.0	102.0	102.0	128.4	128.4	109.2	109.2
Milwaukee.....	122.6	124.2	143.3	149.1	103.3	103.3	127.8	127.7	107.5	107.6	125.5	125.5	115.7	115.4
Minneapolis.....	124.4	123.7	150.1	148.7	103.7	103.7	127.0	125.3	102.6	102.6	122.2	122.1	116.4	116.2
Muskegon, Mich.....	128.9	130.5	162.6	168.8	115.2	115.2	122.7	122.6	112.5	112.5	118.8	118.8	114.3	114.0
Newark.....	122.0	122.7 _r	148.4	150.8	101.4	101.4	120.9	120.0	104.6	104.6	129.4	129.3	105.9	105.9 _r
New Haven.....	118.6	120.7	136.4	143.3	105.3	105.3	119.8	119.5	109.9	109.9	124.4	124.4	108.4	108.1
New Orleans.....	123.4	122.5 _r	146.0	143.8 _r	110.6	110.6	118.9	118.7	103.2	103.2	128.3	128.3	104.0	103.9 _r
New York.....	121.1	123.0	145.6	151.0	100.8	100.8	114.2	114.2	110.8	110.8	128.5	127.7	107.1	107.0
Oakland.....	126.7	127.1	153.2	155.1 _r	131.5	131.5	125.3	124.3	78.0	78.0	119.3	119.3	104.7	104.5
Omaha.....	122.7	123.7	147.2	152.0	100.6	100.6	120.7	120.2	105.4	105.1	134.8	131.0	115.6	115.2
Parkersburg, W. Va.....	124.4	125.9	146.8	151.2	104.2	104.2	123.7	123.7	94.6	94.6	125.0	125.0	112.3	112.0
Philadelphia.....	122.7	125.0 _r	142.0	148.8 _r	102.9	102.9	123.2	122.4	106.5	106.5	121.1	121.1	112.9	112.7 _r
Pittsburgh.....	123.3	124.9	144.4	149.5	105.7	105.7	124.5	124.5	110.3	110.3	117.2	117.2	113.5	113.4
Portland, Ore.....	124.5	125.7	143.2	147.5	110.0	110.0	128.1	127.4	124.9	124.9	119.0	119.0	113.8	113.6
Providence.....	122.3	123.5	140.6	148.0	103.3	103.3	118.7	118.1	113.9	113.9	125.3	125.3	117.9	113.3
Richmond.....	120.2	122.0	151.2	157.5	102.7	102.7	118.4	118.5	105.2	105.2	120.5	120.5	104.8	104.6
Roanoke, Va.....	125.3	126.3	152.7	156.3	119.2	119.2	113.8	113.4	104.1	104.1	121.9	121.9	111.9	111.6
Rochester.....	126.4	127.0	149.2	151.5	103.9	103.9	128.1	127.8	112.2	112.2	136.1	136.1	121.9	121.7
Rockford, Ill.....	130.1	132.2	145.5	152.9	138.0	138.0	121.0	120.5	111.9	111.9	131.3	131.3	116.2	115.8
Sacramento.....	123.1	124.3	149.1	153.5	104.1	104.1	122.2	121.7	80.8	80.8	134.7	134.7	114.4	114.2
St. Louis.....	124.0	124.7	149.2	151.7	106.0	106.0	123.1	122.4	110.2	110.0	118.0	118.0	110.4	110.1
St. Paul.....	121.4	121.8	143.8	145.4	100.9	100.9	119.5	119.4	103.9	103.9	125.7	125.6	115.8	115.5
San Francisco.....	123.2	125.5	159.5	167.6	98.3	98.3	123.2	121.7	79.2	79.2	119.6	119.6	105.7	105.4
Seattle.....	125.2	126.5 _r	151.2	155.9	114.3	114.3	119.2	118.6	112.2	112.2	120.4	119.9	109.9	109.7 _r
Spokane.....	123.4	125.9	141.2	149.3	102.0	102.0	121.2	121.2	132.3	132.3	132.3	132.3	111.9	111.7
Syracuse.....	126.9	128.6	150.4	157.3	116.2	116.2	127.2	125.8	109.0	109.0	128.4	127.4	115.3	115.2
Toledo.....	123.4	124.7	144.8	149.4	109.4	109.3	122.9	123.2	106.4	106.4	122.2	122.2	114.1	113.9
Wausau, Wis.....	125.0	125.5	155.1	157.0	102.7	102.7	125.0	125.0	105.1	104.6	123.9	123.6	105.1	104.8
Wilmington, Del.....	123.9	125.5	145.7	150.5	104.0	104.0	124.8	124.6	103.4	103.4	115.4	115.4	112.5	112.4 _r
Youngstown.....	126.0	127.9	156.6	163.0	105.3	105.3	126.6	125.9	106.3	106.7	131.8	131.8	109.7	109.5

PERCENTAGE CHANGES IN COST OF LIVING IN 8 CITIES, PREWAR BUDGETS

	June 1943 to July 1943	July 1942 to July 1943	June 1943 to July 1943	July 1942 to July 1943	June 1943 to July 1943	July 1942 to July 1943	June 1943 to July 1943	July 1942 to July 1943	June 1943 to July 1943	July 1942 to July 1943	June 1943 to July 1943	July 1942 to July 1943	June 1943 to July 1943	July 1942 to July 1943
Anderson, Ind.....	-1.0	+6.7	-3.1	+16.3	0	0	-0.2	+2.0	0	+3.9	0	0	+0.3	+3.7
Evansville, Ind.....	-1.0	+6.1	-3.2	+15.3	0	-0.7	-0.1	0	0	+2.6	+0.6	+1.3	+0.4	+3.3
Flint, Mich.....	-0.2	+8.5	-0.8	+21.2	0	0	-0.1	-0.9	0	+6.3	0	+0.2	+0.4	+3.3
Green Bay, Wisc.....	-1.7	+5.8	-5.3	+12.3	0	-0.1	+0.2	+1.0	0	+5.2	0	0	+0.3	+5.6
Joliet, Ill. ²	-1.4	+5.5	-4.1	+12.4	0	+0.5	-0.1	-0.2	0	+1.8	0	+0.5	+0.3	+4.2
Lewistown, Pa.....	-1.0	+5.3	-2.5	+11.9	0	0	-0.1	+2.5	0	+2.7	0	+0.3	+0.1	+0.7
Saginaw, Mich.....	-0.6	+6.2	-2.0	+15.0	0	0	0	+0.2	-0.1	+4.4	+0.7	+0.2	+0.4	+2.9
Trenton, N. J.....	-1.3	+6.8	-3.4	+13.1	0	+0.5	+0.4	-0.9	0	0.4	0	+1.3	+0.2	+5.6

¹1925=100

²Includes Lockport and Rockdale

^aIncluded in Sundries

^rRevised

Strikes and Turnover Rates

DURING the month of June there was a total of 4,750,000 man days idle because of all strikes, according to preliminary figures released by the Bureau of Labor Statistics. There were 13.6% more days lost during this one month than during the entire year of 1942, when days lost totaled 4,183,000. The June loss in man days accounted for 60% of the total time lost because of strikes so far in 1943. This is the largest number attained in any one month since April, 1941.

There was a considerable increase also in the number of workers involved in strikes beginning in the month of June. The increase was from 620,000 workers in May to 950,000 workers in June, or 53.2%. The number involved in June was 13.1% more than the 1942 total of 840,000, and is probably one of the largest ever recorded.

Although there was only a slight increase in the

actual number of strikes originating during June, the total was at a high level. There were 400 strikes in June and 395 in both April and May. The number of strikes beginning each month has been increasing steadily since November, 1942.

The coal strike continued during the month of June, but by July 6, there were less than 9,000 miners idle, all of whom were in Pennsylvania. On July 10, however, an insurgent strike movement succeeded in keeping closed 26 mines employing nearly 18,000 men in the California-Brownsville area of Pennsylvania. This number was gradually reduced. On July 14, the Federal Grand Jury began its investigation to determine if the coal strike violated the Smith-Connelly anti-strike law. As a result only 3,500 stragglers were out on that day. Although the strike folded up the next day, output was below pre-strike levels.

LABOR DISPUTES ORIGINATING IN JULY, 1943¹

Organization Affected	Location	Date Begun	Date Ended	Number of Workers Involved	
Manufacturing, Building, and Mining					
Aluminum Company of America.....	Bridgeport, Conn.	7/3	7/8	a	
Aluminum Company of America.....	Bridgeport, Conn.	21	23	2,237b	
Aluminum Company of America.....	Massena, N. Y.	1	3	800	
American Steel Foundries.....	East Chicago, Indiana	9	9	3,000	
Bethlehem Steel Corporation (Cambria plant).....	Johnstown, Penna.	22	23	1,500c	
Bethlehem Steel Corporation (Lackawanna plant).....	Lackawanna, N. Y.	15	24	d	
Bethlehem Steel Corporation (Sparrows Point Yard)	Sparrows Point, Md.	30	8/2	e	
Continental Motors Corporation.....	Muskegon, Mich.	29	7/29	n.a.	
Consolidated Textile Company, Inc.....	Lynchburg, Va.	30	..	800	
Essex Wire Corporation.....	Detroit, Mich.	29	30	1,500	
Ford Motor Company (Highland Park plant).....	Detroit, Mich.	30	31	2,260	
Ford Motor Company (River Rouge plant).....	Detroit, Mich.	21	21	2,500	
General Drop Forge Company.....	Buffalo, N. Y.	12	15	500	
General Motors Corporation ²	Saginaw, Mich.	8	9	e	
General Tire and Rubber Company.....	Akron, Ohio	21	25	1,200	
McQuay-Norris Manufacturing Company.....	Connorsville, Indiana	21	23	1,200	
New Haven Foundry.....	New Haven, Mich.	30	..	600f	
Potlatch Forest, Incorporated.....	Lewiston, Idaho	19	..	60	
Sacks-Barlow Foundries, Incorporated.....	Newark, N. J.	6	8	500	
Timken-Detroit Axle Company.....	Detroit, Mich.	29	29	n.a.	
Miscellaneous					
Akron Transportation Company.....	Akron, Ohio	15	..	200g	
Bingham and Garfield Railway Company.....	Bingham, Utah	7	8	100h	
Detroit Department of Public Works ³	Detroit, Mich.	23	..	2,500	
Elevator operators and maintenance men ⁴	New York City	6	6	250	
Fishermen ⁵	Five ports in Conn. ⁶	12	..	350i	
Fishermen ⁷	Two ports in Mass. ⁸	15	23	400j	
Great Lakes Greyhound Lines, Incorporated.....	Detroit, Mich.	16	19	295	
Greenwich Cab Company.....	Greenwich, Conn.	9	10	28	
Lifeguards.....	Belmar, N. J.	20	20	10	
Long Island Lighting Company ⁹	Mineola, N. Y.	27	30	450	
Los Angeles Railway Corporation ¹⁰	Los Angeles, Cal.	22	23	3,000	
New England Steamship Company.....	New Bedford, Mass.	26	26	70	
Philadelphia Bureau of Mechanical Equipment.....	Philadelphia, Penna.	7	8	121	
Providence Journal.....	Providence, R. I.	7	7	k	
Street and Sanitation Workers ¹¹	Aliquippa, Penna.	5	17	66	
Street car and bus service operators.....	New Bedford, Mass.	13	15	n.a.	
Truck drivers ¹²	Providence, R. I.	26	27	600-1000	
Union Street Railway Company.....	New Bedford, Mass.	13	..	400l	

¹Incomplete report based on available information published in the press.

²Saginaw Stearing Gear Division.

³Employees engaged in garbage collection and street and alley cleaning divisions.

⁴Members of the Building Maintenance Craftsmen's Union in twelve buildings of Rockefeller Center.

⁵Members of Southern New England Fishermen's Association and independent operators.

⁶New London, Niantic, Mystic, Noank, and Stonington, Connecticut.

⁷Members of Atlantic Fishermen's Union (AFL).

⁸Boston and New Bedford, Massachusetts.

⁹Strikers were bill collectors, linemen, and maintenance men. Striking employees of affiliate Nassau and Suffolk Lighting Company are included in the number of workers involved.

¹⁰Number of workers involved includes strikers employed by the Los Angeles Motor Coach Company.

¹¹Members of State, County, and Municipal Workers of America.

¹²Members of International Brotherhood of Teamsters, Chauffeurs, Warehousemen, and Helpers of America (AFL).

^aStrike of 60 molders caused almost complete stoppage of work at the plant.

^b87 pourers quit, making it impossible for 2,200 others to perform their duties.

^cAdditional thousands thrown out of work.

^dWalkout of 8 hotbed attendants halted production of entire mill.

^eSeveral thousand workers involved. Actual figures not available.

^f180 molders were out on July 30. August 3, the department shut down, and on August 4, the plant was forced to close.

^gAffected the transportation of thousands of war workers.

^hThreatened to shut down operations of 6,000 employees of the Utah Copper Company in Bingham, Utah.

ⁱ90 boats tied up.

^jComplete tie-up of fishing boats in Boston effected. 70 boats idle there. 40 boats idle in New Bedford in addition to 30 being refitted there.

^kCompositors struck, causing suspension of one afternoon edition of *The Evening Bulletin*.

^lBus service between New Bedford, Massachusetts, and Providence, Rhode Island, was affected when drivers for the New England Transportation Company on that route joined the strike in sympathy.

The first group of indictments under the law was returned on July 26, when thirty persons were charged with having directed the coal strikes and with having interrupted operations of the coal mines in the government's possession. A motion, filed in Federal District Court in Pittsburgh on August 10 to quash five indictments, charged that the Smith-Connally law is unconstitutional in that it violates the first and thirteenth amendments, depriving persons of free speech and free assemblage and annulling the provision guaranteeing that "involuntary servitude" shall not exist in the United States. August 4 witnessed the first strike vote taken under the Smith-Connally law, at two Springfield (Ill.) Allis-Chalmers plants.

The total separation rate again showed a decline in May, 1943, when it dropped to 6.57 from 7.54 per

100 employees in April. This was the lowest figure recorded since December, 1942. Quits, miscellaneous separations, and lay-offs declined from April to May. The discharge rate was the only separation rate to show a slight increase. The lay-off rate of .45 per 100 employees in May was the lowest level recorded since the series was begun in January, 1930. Quits are the lowest since February, 1943.

The total accession rate also showed a decline from April to May. It was 7.43 in April as compared with 7.18 in May. In April, accessions were lower than separations for the first time since May, 1940. This did not mark the beginning of a trend since accessions again exceeded separations in May, 1943.

MARY A. WERTZ

Division of Labor Statistics

STRIKES, TURNOVER RATES AND PRODUCTION

Date	All Occupations			Manufacturing						
	Strikes ¹			Production ² (1935-1939 = 100)	Turnover Rate per 100 Employees ³					Accessions ⁵
	Beginning in Period		Man Days Idle During Period (Thousand)		Separations ⁴					
	Number	Workers Involved (Thousand)			Total	Quits ⁶	Miscella- neous ⁶	Discharges ⁶	Lay-offs ⁶	
1929.....	921	289	5,352	110	75.23a	41.01a		9.04a	25.17a	67.61a
1930.....	637	183	3,317	90	59.65	18.64		5.04	35.97	37.02
1931.....	810	342	6,893	74	48.38	11.39		2.72	34.27	36.59
1932.....	841	324	10,502	57	51.98	8.34		1.96	41.68	39.82
1933.....	1,695	1,168	16,872	68	45.38	10.66		2.49	32.23	65.20
1934.....	1,856	1,467	19,592	74	49.17	10.67		2.24	36.26	56.91
1935.....	2,014	1,117	15,456	87	42.74	10.37		2.29	30.08	50.05
1936.....	2,172	789	13,902	104	40.35	13.02		2.63	24.70	52.16
1937.....	4,740	1,861	28,425	113	53.11	14.97		2.38	35.76	42.59
1938.....	2,772	688	9,148	87	49.22	7.46		1.29	40.47	46.16
1939.....	2,613	1,171	17,812	108	37.71	9.52		1.52	26.67	48.85
1940.....	2,508	577	6,701	124	40.27	10.93	1.61	1.84	25.89	52.72
1941.....	4,288	2,363	23,048	161	46.68	23.63	4.15	3.04	15.86	64.51
1942.....	2,968	840	4,183	190	77.66	45.09	15.04	4.66	12.87	91.62
1942 May.....	285	69	322	183	6.54	3.77	.96	.38	1.43	7.29
June.....	345	110	586	185	6.46	3.85	1.02	.38	1.21	8.25
July.....	388	100	417	189	6.73	4.02	1.23	.43	1.05	8.28
August.....	330	92	449	196	7.06	4.31	1.46	.42	.87	7.90
September.....	274	88	387	203	8.10	5.19	1.79	.44	.68	9.15
October.....	207	62	244	205	7.91	4.65	2.03	.45	.78	8.69
November.....	144	52	128	206	7.09	4.21	1.80	.43	.65	8.14
December.....	147	59	193	207	6.37	3.71	1.50	.46	.70	6.92
1943 January ⁸	195	90	450	208	7.11	4.45	1.40	.52	.74	8.28
February.....	210	42	170	211	7.04	4.65	1.35	.50	.54	7.87
March.....	260	72	230	212	7.69	5.36	1.24	.57	.52	8.32
April.....	395	200	675	214	7.54	5.41	.96	.53	.64	7.43
May.....	395	620	1,275	217	6.57	4.81	.76	.55	.45	7.18
June p.....	400	950	4,750	217	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

¹United States Bureau of Labor Statistics.

²Federal Reserve annual production data are averages of monthly figures.

³A separation is a termination of employment of any of the following kinds: quit, lay-off, discharge, or miscellaneous. Transfers from one plant to another of the same company are not considered as accessions or separations.

⁴A quit is a termination of employment, generally initiated by the worker because of his desire to leave, but sometimes due to his physical incapacity. Beginning with January, 1940, separate rates were computed for miscellaneous separations; i. e., separations due to death, permanent disability, retirements on pensions, and similar reasons. Beginning with September, 1940, workers leaving to enter the Army or Navy were included in miscellaneous separations.

⁵A discharge is a termination of employment at the will of the employer, with prejudice to the worker because of some fault on the part of the worker.

⁶A lay-off is a termination of employment at the will of the employer, without prejudice to the worker and of a temporary, indeterminate, or permanent nature. However, a short, definite lay-off with the name of the worker remaining on the payroll is not counted as a separation.

⁷An accession is the hiring of a new employee or the rehiring of an old employee. Transfers from one plant to another of the same company are not considered as accessions or separations.

⁸Data on turnover rates since January, 1943, are not strictly comparable with previously released data. The rates now refer to all employees rather than wage earners only.

aJune to December.
n.a. Not available.

pPreliminary.
rRevised

Employment and Unemployment

WITH AGRICULTURE, the Armed Services, and munitions industries all levying upon an already attenuated labor reserve, the labor supply situation at midyear turned into a national problem of first importance. The June level of employment approached 63.5 million, well above earlier forecasts of the total manpower required to meet production goals for the home and fighting fronts. Fully 7.5 million new recruits had already been added to the normal number of persons comprising the nation's labor market. The total number at work or in uniform was more than ten million greater than at mid-year, 1941, and almost seven million above the corresponding 1942 total. Nonagricultural civilian employment, however, was only somewhat above 3 million more than in 1941, and little more than 1.25 million above the level of a year ago.

New estimates by manpower authorities for the coming twelve months reveal that an additional 3.6 million recruits must be found to satisfy the needs of the Armed Forces and the munitions industries. The military services must induct a minimum of 2 million to achieve a fighting strength of 11.3 million by the middle of next year. In addition, at least 1.6 million additional workers (net) must be found for the munitions industries, even after allowance for a 10% increase in output per man hour for 1943, further gains in 1944, and an increase in the work week from 46.9 hours to 48 hours. About two-thirds of this overall increase of 3.6 million will result from transfers from less essential civilian industries, but the remaining third, or about 1.25 million, must again be drawn from the nonworking population, primarily women outside the labor force.

JUNE TRENDS

During June alone nearly 1.1 million persons were drawn into agriculture, the fighting services and munition production lines. Slightly more than half of the month's gain occurred in agriculture, as the nation's farms hit their period of peak operations. Despite these additions, the number at work in agriculture was fully a quarter-million below the June total of last year, and about 4% lower than the corresponding average for the five preceding peacetime years. About 100,000 new workers were taken on in nonfarm civilian industries, principally in manufacturing.

Two industry groups, construction and mining, contracted their personnel during the month. Employment on construction again receded nearly 140,

EMPLOYMENT AND UNEMPLOYMENT, JUNE, 1941-JUNE, 1943¹

In Thousands

Distribution of Labor Force and Employment	1941	1942	1943		
	June		April	May	June ¹
Unemployment.....	1,598	.....	.....	.....	.....
Excess of employment over economic labor force.....	.....	1,361	5,399	6,667	7,688
Total employment.....	53,168	56,564	61,018	62,350	63,439
Agriculture.....	11,807	11,963	9,900	11,076	11,704
Forestry and fishing.....	226	223	187	194	199
Total industry.....	19,777	21,230	22,083	21,937	21,985
Extraction of minerals.....	764	785	715	701	698
Manufacturing.....	13,221	14,358	16,048	16,023	16,133
Construction.....	2,648	2,740	1,945	1,814	1,676
Transportation.....	2,128	2,305	2,359	2,383	2,459
Public utilities.....	1,016	1,043	1,016	1,015	1,020
Trade, distribution and finance.....	7,828	7,563	7,506	7,432	7,440
Service industries (including Armed Forces).....	12,409	14,374	19,955	20,319	20,705
Miscellaneous industries and services.....	1,121	1,209	1,388	1,392	1,405
Emergency employment ² WPA, CCC and NYA (out-of-school) ³	1,998	935	163	125	121 ^a

¹Subject to revision.

²Not included in employment total.

³Since July 1, 1942, NYA projects are officially designated as war training programs rather than work relief projects.

^aNYA component not available for June; May estimate substituted.

000, while the number at work on the extraction of minerals fell off slightly. Only in manufacturing and transportation did civilian employment, however, exceed the levels of a year ago. Factory employment was more than 1.75 million greater than a summer ago, while about 150,000 more were manning transportation facilities than in 1942. In addition to the decline since last year of over 250,000 in agriculture, employment was off by over a million in construction, almost 125,000 in trade, and 87,000 in mining.

Fewer hired workers were reported on farms than a summer ago, in each of the nation's nine geographic regions, the aggregate number of hired workers falling over 6% during the year. Farm wage rates were at a new high, while farm labor supply was at a record low, and the demand for farm help higher than ever before.

Federal civilian employment was further increased by 15,000 during the month to total nearly 3.1 million, an increase of almost 1.5 million since the outbreak of the war, and of somewhat more than 800,000 during the past year. Emergency employment on WPA and NYA aggregated little more than 100,000.

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Personnel Practices

Hidden Treasure

Many company executives are concerned over the "paycheck shrinkage" brought about by the multiplicity of deductions from gross pay of employees. The answer to the problem seems to be to educate employees in the real significance of each deducted item, such as taxes, war bonds, social security, group hospitalization and insurance.

Employees at Nash-Kelvinator Corporation, Detroit, have been given a small booklet, "Your Hidden Treasure," in which there is a down-to-earth description, in terms of the employee's own interest, of the various deductions.

Before copies were distributed, each employee's payroll record from the beginning of the year was entered in his copy in a special record-keeping section of the book. The heading of this section is "Know the Value of Your 'Hidden Treasure' by Keeping a Record of Deductions."

War Production Suggestions

A total of 6,180 suggestions has been offered by employees of the Carnegie-Illinois Steel Corporation since an employee suggestion program was advocated by War Production Chief Donald M. Nelson last year.

More than 4,000 of these suggestions have been turned over to management for final consideration. Of these, 22% have been adopted and put into actual use.

Absentee Control of Salaried Employees

In a number of companies it has been found that newly-hired employees on a salary basis have a higher absentee rate than comparable employees with longer service.

In an effort to reduce absenteeism on the part of new salaried employees, a large Eastern metal-working company has made a ruling that persons hired on a salary basis shall not be paid for any time lost during the first three months of employment, no matter what the reason for absence.

War Department Suggestion System

A suggestion system for the benefit of the 1,315,000 civilian employees of the War Department is in process of organization, according to the July issue of *The Pullman News*. The plan is to be patterned largely upon the principles of the highly successful employee suggestion system at the Pullman Company and will have as its civilian chairman E. S. Taylor, director of the Pullman plan, who will serve part time.

The War Department System will be supervised by a general committee comprising officers of the general staff and the Air, Ground and Service Forces, and the chairman. In addition to the general committee there will be about 2,000 suggestion committees to receive and consider ideas turned in by the War Department's civilian employees.

Wage-increase Announcements¹, July 1 to July 31

Source: Daily Press and Various Periodicals

Company	Location	Amount of Increase	Number Affected	Remarks
Apco-Mossberg Company.....	Attleboro, Mass.	5¢/hr.	200	Retroactive to January 1, 1943
Associated Garment Industries of St. Louis....	St. Louis, Mo.	\$1.25-\$1.75/wk.	177	
Brew-Schneider Company, Inc.....	New York City	4¢/hr.	200	Retroactive to October 13, 1942
Brookside Mills.....	Knoxville, Tenn.	2½¢/hr.	2,100	Retroactive to October 28, 1942
Campbell Soup Company.....	Camden, N. J.	2¢-4¢/hr.	....	
Goodyear Tire & Rubber Company.....	Los Angeles, Calif.	3½¢/hr. 4¢/hr.	2,500	To workers in war production divisions To workers in all other divisions Retroactive to October 31, 1942
Greenport Basin & Construction Company.....	Greenport, L. I.	11¢-22¢/hr.	700	Retroactive to June 28, 1943
Liggett's Drug Stores.....	New York City	\$3/wk.	760	To full-time workers
New York Telephone Company.....	New York City	\$2/wk.	1,600	To supervisory employees
Saco-Lowell Company.....	Biddeford, Me.	5¢/hr.	....	To production workers. New hiring rates: 52¢/hr.; after 4 weeks, 56¢/hr.
Schacht Rubber Company.....	Huntington, Ind.	10¢/hr.	100	Retroactive to September 18, 1942
B. F. Sturtevant Company.....	Hyde Park, Mass.	5¢/hr.	1,475	To production workers. Retroactive to January 1, 1943
Union Street Railway Company.....	New Bedford, Mass.	4¢/hr.	329	
Women's Blouse Industry.....	New Jersey & New York City	7½%	7,500	Retroactive to March 1, 1943, for cutters and March 15, 1943, for all other workers

¹Includes salary-increase announcements

Chronology of Events affecting Labor Relations, July 1 to July 31

July

- 1 *Supervisors Eligible for Overtime Pay*—The Bureau of Internal Revenue states that supervisors "exempt" under the wage-hour law are eligible for additional compensation in proportion to additional hours of scheduled work, particularly in labor shortage areas where 48-hour week has been directed. Approval of regional Salary Stabilization Director is required.
- 6 *Coal Miners Resume Work*—UMW announces all but about 9,000 miners are now back at work after the third nation-wide coal strike, which officially ended June 22.
Maintenance-of-membership Policies to be Continued—WLB announces it will continue its policy of ordering maintenance of membership clauses in certain cases even though some question the board's authority to do so under provisions of the Smith-Connally anti-strike law.
- 7 *Shipyards Workers Demand Pay Increase*—Union leaders representing 1,100,000 shipyard workers demand that WLB approve wage increases commensurate with cost-of-living increases. War Labor Board spokesmen indicate that they believe the anti-inflation policy is at stake.
Tobin Favors Return of UMW to AFL Fold—Daniel J. Tobin, President of the International Brotherhood of Teamsters and chairman of AFL committee to confer with John L. Lewis, formally announces his approval of UMW's application for reaffiliation as means of unifying the labor movement.
- 8 *Senate Passes Servicemen's Dependency Allowance*—The Senate approves without debate legislation to increase the government's cash contributions to dependents of men in Armed Services. Approved allowance for wife and one child is \$68 per month instead of \$62, and \$11 instead of the present \$10 for each additional child.
- 9 *Grand Jury Called as Miners Revolt*—An investigation by a federal grand jury is ordered as 18,000 insurgent coal miners refuse to pass picket lines around pits in the California-Brownsville (Penna.) district.
- 11 *Union Women Demand Rent Controls in New York City*—Delegates at a regional conference of the Women's Trade Union League call on Congress and OPA to fix rent controls in New York City, to enforce existing price ceilings, and to begin overall rationing of all consumer goods.
Murray Urges Labor Coalition—Philip Murray, President of the CIO, offers plan for all labor groups to join together in a political coalition to force Congressional support of President Roosevelt's "Victory Program."
- 12 *Green Asks Defeat of Smith-Connally Bill Supporters*—William Green calls on six million AFL members to vote against congressmen who overrode the President's veto of the anti-strike bill. Reaffirms that labor will forego the right to strike during wartime.
- 13 *Transit Workers Ousted for Holding Two Jobs*—New York City Board of Transportation announces that 15 out of 75 of its employees have been tried for neglect of duty by holding outside jobs and have resigned. Charges against the remainder are being tabled with the understanding they resign from the outside jobs.
- 14 *CIO Fines Strikers*—One hundred seventy-nine members who participated in an unauthorized strike on March 17 are fined \$5 each by Local 594 (Pontiac, Mich.) of the UAW.
WLB Gives Opinion on Pay of Workers Handling Grievances—Contrary to previous rulings, George W. Taylor, Vice Chairman of War Labor Board, announces that, in special circumstances, the board may compel employers to pay employee union representatives for time lost in adjusting grievances.
- 18 *CIO Launches Drive to Sway Congress*—All affiliates of the CIO are urged by Philip Murray to enter into political activity for the purpose of changing "the present anti-labor Congress into a pro-labor, win-the-war Congress."
- 21 *Lewis Splits Coal Operators*—In a surprise move, John L. Lewis signs pact with the Illinois Coal Operators Association containing provisions for portal-to-portal pay and other concessions. Contract goes to WLB for approval.
- 22 *Labor Chiefs Warn the President*—Philip Murray and William Green, spokesmen for the Combined Labor War Board, demand that prices be rolled back to the September 15, 1942, level or labor can no longer support price and wage stabilization program.
- 23 *Lewis Ready to Appear Before WLB*—John L. Lewis advises WLB he is willing to appear before the board to support Illinois Coal pay contract.
- 24 *Employees to Solve Labor Turnover, Absenteeism*—Employees in the Cleveland plant of Aluminum Company of America are assigned job of reducing absenteeism and labor turnover. With cooperation of company officials, union representatives set up machinery for combating both problems through contact with individual recalcitrants.
- 26 *Federal Jury Indicts 30, Charges Conspiracy and Fomenting Strikes*—Federal Grand Jury in Pittsburgh indicts 30 labor men under the new anti-strike law for fomenting an unauthorized strike in southwestern Pennsylvania coal pits.
- 28 *WLB Insists Company Pay Christmas Bonus*—Detroit Regional WLB directs the "1900 Corporation" to pay a 1942 Christmas bonus to its 700 employees on the ground that the bonus, given each year since 1935, has become a part of company's wage structure. The order holds even though the company may have operated at a loss during 1942.
- 30 *Pay Increase for Shipyards Workers Denied*—WLB, by a vote of 8 to 4, denies a general wage increase for 1,100,000 shipyard workers requested by unions affiliated with both CIO and AFL.
- 31 *Labor Minority Has Right to Strike Vote*—Attorney General Francis Biddle sustains the right of a labor minority to demand a strike vote under the Smith-Connally Act.